

Herald Tribune

Published with The New York Times and The Washington Post

PARIS, TUESDAY, FEBRUARY 24, 1970

Established 1887

AT'S WEATHER—PARIS: Cloudy, with
Temp. 48-52 (4-6). Tomorrow partly
cloudy. Temp. 48-51 (4-6). LONDON:
Cloudy. Temp. 48-51 (4-6). TOMORROW:
Cloudy. Temp. 48-51 (4-6). CHAM-
ROUX: SNOWY. Temp. 45-48 (3-6).
ROMA: Partly cloudy. Temp. 43-48 (3-6).
Temp. 38-42 (3-5).
INTERNATIONAL WEATHER—PAGE 2

Austria	6 S.	Libya	9 Plast.
Belgium	10 S.P.	Morocco	120 DN.
Denmark	175 D.K.R.	Niger	100 P.L.
France	1,000 F.	Nigeria	6,000 C.
Germany	500 D.M.	Norway	175 N.Kr.
Great Britain	1,760 P.L.	Portugal	18 E.C.
Greece	1,500 Dr.	Spain	1,500 S.Kr.
Iceland	20 I.	Switzerland	1,000 S.F.T.
Italy	130 Lira	Turkey	2,500 T.L.
Israel	12,000 U.S. dollars	U.S. military	20,000 U.S. dollars
Lebanon	75 P.	Yugoslavia	3,000 D.D.

994

ed Forces
obe Laos
onghold
ack May Follow
tory in Plains

By Jack Foisie
PARIS, Feb. 23—Vietnamese troops are probably government positions as approaches to Muong

attack on that key town western end of the Plaine area is expected soon, military disclosed today.

as Muong Suu which the Vietnamese took and briefly eight months ago to mark out western advance of the offensive by the Com-

It is speculation that the Vietnamese troops may push further west this year, as posing a threat to the city of Luang Prabang, the northwest of Muong. But despite the increased American B-52 bombers in it of Laotian government troops, the North Vietnamese advance across the Plaine area, after the capture of its does not appear to have checked.

Associated Press reported Saigon, that B-52 bombers launched a seventh consecutive day of heavy strikes on the Ho Chi Minh Trail in and ranged to within a mile of Demilitarized Zone for local raids.

formed sources said that about the 200 B-52 missions so far month have been flown at supply depots and infiltration in eastern Laos in concentrated campaign to cut the movement of troops war materials into South

and. A mission is normally up of five B-52s, with each carrying 30 tons of bombs, planned to last years, but the United States appear to be conducted by North Vietnamese regulars, undoubtedly with Vietnam experience past years. Communist Pathet units have been infiltrated into the movement of the force. The first evidence seen in Muong Suu was the in Vientiane of a plane of families of prominent Laotian officials in Muong Suu. They commanded an Air America to leave. We know these same families out of there a half dozen the past few years," an official said.

Thai Troops Included.

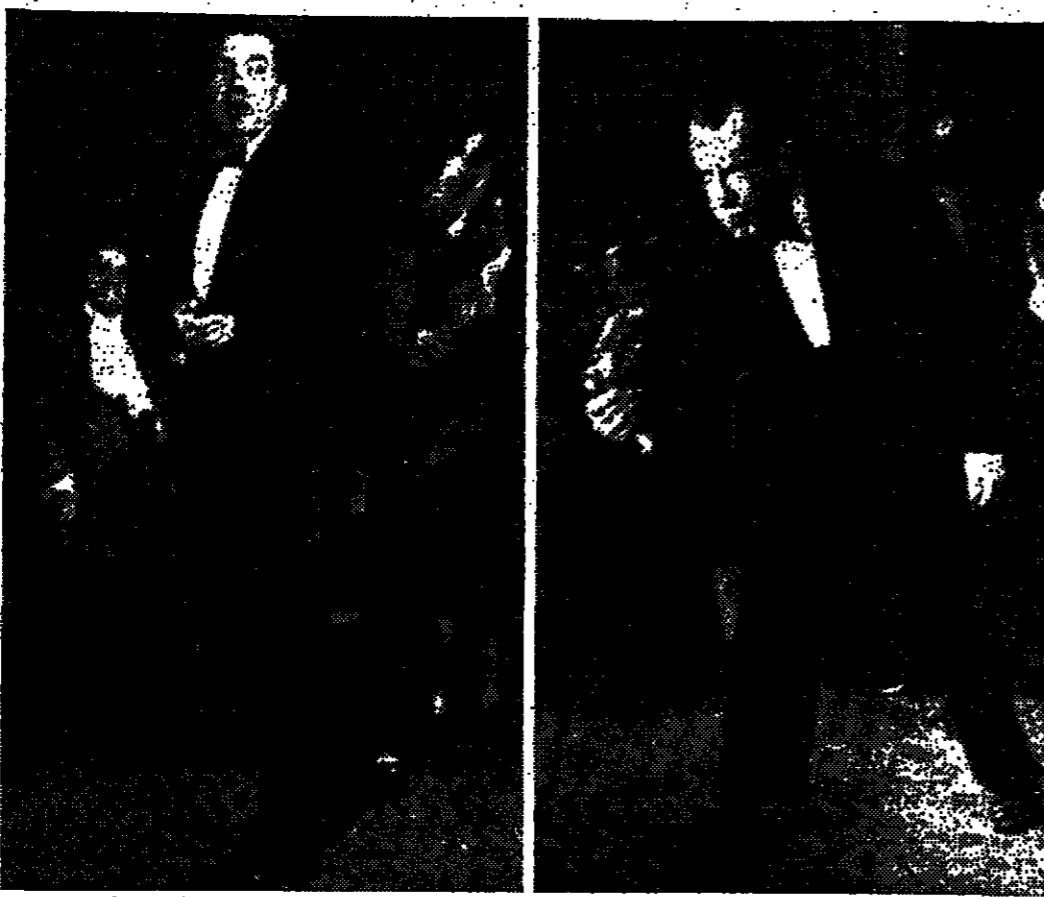
At the time that Muong Suu its defenders included mercenary troops said to be directed by the American Central Intelligence Agency, though this has never been ad-

mitted. The mercenaries troops back again in Muong Suu is known.

American Embassy here officials have complete authority over virtually all aircraft, have refused to allow them reporters to charter commercial aircraft to fly to Muong to appraise the situation for news.

never, the embassy has au- chartered flight to Sam

on Tuesday. Sam Thong of the Plaine des Jarres, (Continued on Page 2, Col. 3)



Associated Press
President Nixon joking with his guests after the showing of the play "1776."

N.Y. Cast Brings '1776' to White House

By Nan Robertson

WASHINGTON, Feb. 23 (NYT)—The gold brocade curtains opened last night on the first full-scale, full-length Broadway show ever presented at the White House, with President and Mrs. Nixon beaming in front-row center.

It was George Washington's 228th birthday anniversary, and so, quite appropriately, the production was "1776," the spirited, imaginative Sherman Edwards tale about the drafting of the Declaration of Independence.

The musical play opened in the capital one year ago and went to box-office success in New York, winning the Tony Award for best musical and the New York Drama Critics' Circle Award.

The Broadway cast and crew and some wives—76 persons in all—flew down by chartered plane. Their somewhat cramped performance took place on a beautiful proscenium stage especially designed for the White House four years ago by Jo Melkner, who also designed the scenery and lighting for "1776."

(Continued on Page 2, Col. 2)

Demonstrations Feared

Pompidou Arrives in U.S. For Eight-Day State Visit

By Chalmers Roberts

WASHINGTON, Feb. 23 (WP)—French President Georges Pompidou flew into Washington today as the White House indicated the administration's hope that his visit to the United States will not be marked by Americans who oppose Paris's policy in the Middle East.

Nine other persons escaped, reportedly uninjured, from the wreckage of the Hotel Alpenrose, police said.

Three skiers were caught by an avalanche near Kitzbuehel, Austria, today and buried under it, the Associated Press reported. Two of them freed themselves, but the third is still missing, authorities said.

The four victims, all residents of St. Sigismund, were identified as Mrs. Pauline Brenner, 70, owner of the hotel; Mrs. Christina Brenner, 18, and her daughter Frieda, 3 months, and ski instructor Reinhold Winkler, 26.

Other avalanches blocked the road to St. Sigismund, a town 12 miles west of the tourist center of Innsbruck. Helicopters flew in rescue teams and other aid.

The avalanche swept down at 4 a.m. from the north side of the Falder-Santag Mountain.

The avalanche was blamed on a thaw over the weekend that undermined the huge banks of snow on the mountain slope.

Police said the Hotel Alpenrose stood high up on the mountain above the village. Rescue teams had to battle their way through the snow to reach the stricken hotel, they said.

A rescue helicopter flying to the hotel crashed on landing and was badly damaged, but no crewmen were hurt, police said.

Another avalanche in the same area struck the Burkhardt Hotel at the village of Lutzen yesterday. It destroyed the hotel's kitchen and killed 20 sheep in a nearby stable, but caused no human deaths or injuries.

2,000 Vacationers Trapped

Elsewhere in Austria, avalanches and flooding of road and rail links in the upper and lower provinces badly affected traffic throughout the country.

Over 2,000 vacationers, most of them from West Germany, were trapped in Tyrol and Vorarlberg as the Arlberg Pass road linking the two provinces remained closed because of the danger of avalanches.

Many roads in the area were blocked by snowdrifts or had to be closed in an effort to prevent avalanche deaths.

Foul-smelling snow and heavy rainfalls in eastern Austria made the Danube and its tributaries rise to a dangerous level within hours, and many Danube ferries discontinued service.

arrangements have been set to receive President Pompidou in accord with the friendship that exists between the two countries. We will receive him courteously and as a friend—which the two countries are. I believe that our government will receive the president courteously."

First Demonstration

The first anti-Pompidou demonstration was gathering today at the Washington Monument grounds of about 3,500 supporters of Israel, a rally sponsored by the Jewish Community Council of Greater Washington. Their aim was aimed specifically at Mr. Pompidou not France, as indicated by buttons they wore, proclaiming "Vive la France, à bas Pompidou (Long live France, down with Pompidou.)

If Mr. Pompidou himself was worried about his reception, he showed no sign of it as he stepped down the ramp from his plane, a smile on his face. He chatted with Mr. Agnew as Mrs. Agnew presented Mrs. Pompidou with a bouquet. The two men talked as they walked to the nearby helicopter which took the Pompidous to Camp David.

Officials have indicated concern over demonstrations here and in New York, Chicago and San Francisco and by talk that some members of Congress will boycott a joint meeting he will address Wednesday.

Mr. Ziegler replied that "all the

Special Precautions

NEW YORK, Feb. 23.—A spokesman for Trans World Airlines said here yesterday that the carrier was taking "extra special precautions" on its three daily flights to

the White House when he meets President Nixon for the first time.

Earlier in the day, White House press secretary Ron Ziegler was asked whether the President was concerned over the treatment Mr. Pompidou will receive during his eight-day visit to the United States. Both American and French officials have indicated concern over demonstrations here and in New York, Chicago and San Francisco and by talk that some members of Congress will boycott a joint meeting he will address Wednesday.

Mr. Ziegler replied that "all the

United Press International

Freeing Army for Field Action**South Vietnam Local Forces Will Defend Safer Villages**

By James P. Sterba

SAIGON, Feb. 23 (NYT).—South Vietnam's defense officials are planning a major shift of village-based professional soldiers into contested areas, leaving the defense of villages considered relatively secure to police and unpaid local militiamen.

Planners at regional and national levels who were interviewed recently said that with the gradual shift, part of the overall re-militarization plan, many soldiers now tied down with territorial defense

would be freed for offensive operations against guerrilla groups in areas where the enemy remains a threat.

This move, in turn, would allow the South Vietnamese main forces to direct more of their efforts against main enemy units now located mostly in remote jungle and mountain areas.

A young South Vietnamese officer who works in a combined American-Vietnamese planning unit said: "The army's job will be more and more to keep enemy soldiers away from the people—the job the Americans have been doing. Behind them, the people and police will deal with the local Communists."

The shift, to take place over the next year, would involve:

- The gradual replacement of American combat forces opposing Viet Cong and North Vietnamese Army troops in generally remote, unpopulated areas with main-force South Vietnamese Army units.

- The upgrading of neighborhood defense groups into 35-man combat security teams responsible for security in government-dominated hamlets.

The shift, according to defense planners, would permit the gradual withdrawal of front-line American combat troops over the next year without leaving gaps in the government's defenses. At the same time, however, it would place much greater burdens on neighborhood militia, called the People's Self-Defense Force.

The timetable, which is no more definite than the timetable for American combat-troop withdrawals, depends largely on the Saigon government's ability to upgrade these neighborhood defenders to fill defensive combat roles.

The main attack on outlying positions defending Muong Suoi was at Xiang Lom, a small position at the head of a valley leading to Muong Suoi. The enemy force was estimated at 150 men and did not push the attack when met by rifle and machine-gun fire from the outpost.

Night Bombings Protested

HONG KONG, Feb. 23 (UPI).—The pro-Communist Laotian Patriotic Front has protested against alleged nighttime bombing by U.S. B-52 aircraft in the Plaine des Jarres, the Pathet Lao news agency said today.

The protest, signed by Phoumi Vongvichit, secretary-general of the front's central committee, was sent three days ago to Britain and the Soviet Union co-chairmen of the 1968 Geneva Conference on Laos, according to the agency.

"The Nixon administration has reached a high degree of barbarity with its premeditated use of B-52s for intense night bombings with a view to exterminating the local population," it said.

It claimed that the United States had been using the B-52s since Feb. 17. On that day and the day after, 27 B-52s twice bombed a six-mile-long area between Ban-sone and Khangkay, raising many villages.

© Los Angeles Times

W. German Rivers Overflow, Isolate Villages, Cut Roads

By David Binder

BONN, Feb. 23 (NYT).—West Germany's major rivers overflowed their banks today after a sudden thaw and widespread rainstorms, isolating villages, stopping highway traffic and inland shipping and sweeping away one bridge.

The Rhine at Bonn was 14 feet above its normal level late this afternoon and lapping at the threshold of the low-lying Bundestag (federal parliament) on its left bank.

Shipping on the Rhine came to a standstill on the wide stretch below Koblenz. Many of the car and passenger ferries on the bridgeless section between Koblenz and Bonn could not function. Shipping on the larger Rhine tributaries—the Moselle, Neckar and Lahne—was halted over the weekend.

Flooding forced the closing of autobahn sections near Saarbrücken and Braunschweig as well as many highways running along valley floors.

Twenty Heidelberg families had to be evacuated after the Neckar River inundated the lower floors of their homes.

Authorities said the floods in eastern Bavaria were the worst since 1954 and that the village of Gries was isolated. The police said

Flood Danger in France

PARIS, Feb. 23 (Reuters).—Police and rescue teams were alerted to the danger of floods in large areas of eastern France tonight as continued heavy rain and a sudden thaw sent already-swollen rivers over their banks.

Paris-Milan and Paris-Florence trains were diverted through Geneva after sudden ground collapses under a track at Montbéliard. Roads were cut around Dijon, Bourgogne and Nancy.

In Paris, the Seine was rising again after dropping momentarily last week. It was about 15 feet higher than normal in central Paris.

In Normandy, in the west, the continued rains brought down a medieval tower that had stood for nearly nine centuries at Domfront, causing severe damage to a nearby printing plant but no injuries.

Floods in Belgium

BRUSSELS, Feb. 23 (Reuters).—Melting snows and torrential rains brought rivers surging over their banks in many parts of Belgium, cutting roads, isolating houses and flooding hundreds of acres of farmland.

There were also representatives from the American Revolution Bicentennial Commission, a scattering of newsmen and members of Congress. Frank A. Chisholm, president of the Society of the Cincinnati, Mrs. Erwin Frees Seime, president of the National Society of the Daughters of the American Revolution, and Vincent T. Lombardi, coach and general manager of the Washington Redskins.

Without a Break

Last night's production began at 7:30 and ran without an intermission, as it does in New York for two hours and 20 minutes. The black-tie evening ended with a buffet supper.

White House Performance For the Play '1776'

(Continued from Page 1) "Lady," but without the ticket-scalping.

The evening was by any standard a vintage occasion, one of the few times any play has been given uncut at the White House. The Lyndon Johnsons saw off-Broadway's "You're a Good Man, Charlie Brown" without deletions, and President William Howard Taft enjoyed Shakespearean comedies on the South Lawn, but virtually all White House theater has consisted of excerpts and tabloid versions of the original productions.

The best preventive measure to check the "outrageous terror of the Palestine resistance organizations" is for European governments to close their frontiers to Arabs whom they doubted had bona fide motives for visiting Europe. Maj. Gerriksen said.

He said he thought it would be possible to separate bona fide Arab businessmen from "less desirable Arab guests."

President and Mrs. Spiro T. Agnew, Secretary of Agriculture Clifford Hardin and Secretary of Commerce Maurice H. Stans, and their wives, and Virginia's new Republican Governor, Linwood Holton, and Mrs. Holton.

The trial of Mahmoud Issa Mohammed, 26, and Hussein Suleiman Elyamani, 30, was set originally for Dec. 17, but was postponed indefinitely due to the absence of key witnesses. If the men are found guilty of the murder charge, they could be executed.

The postponement drew a sharp protest from Israel which charged that the delay would encourage further acts of violence against Israeli property abroad. One Israeli passenger was killed in the attack.

UAR Dailies Lack Paper

CAIRO, Feb. 23 (AP).—Because of the shortage of newsprint, Egyptian dailies will be restricted to a maximum of eight pages for an indefinite time, it was announced today.

For this we have no other suggestion than that which I always



WINNING ROUND—El-Fatah leader Yassir Arafat (left) with Kamal Nasser, a member of his executive committee, following their meeting with Jordanian authorities at which they succeeded in forcing out the minister of the interior. Story Page 2.

Jordan Drops Cabinet Aide; Took Hard Line on Guerrillas

(Associated Press)

AMMAN, Jordan, Feb. 23 (UPI).—Jordan's government—guerrilla-government agreement.

There was persistent speculation tonight that King Hussein will make sweeping cabinet changes following the crisis. Not only are some existing members of the cabinet a possible embarrassment, but the lives of Jordanian administrators are traditionally short and the present team has been in operation since August, 1969.

Gen. Kallani is widely believed to be mainly responsible for introducing security measures that sparked the crisis. Political sources said his departure was at the direct demand of the guerrillas.

Gen. Kallani has been replaced temporarily by a political neutral, Municipal Utilities Minister Kousai Abu Ragheb, an East Bank Jordanian liked by both sides.

No official reason was given for Gen. Kallani's departure, but it came just 24 hours after the 10-group Palestinian Unified Command and government officials announced an end to a 12-day crisis that brought the country to the verge of civil war.

Three days of sporadic fighting cost at least 19 lives—some figures put the death toll at 50—after the government introduced stiff measures aimed at controlling the firing, possession and storage of arms.

No details of yesterday's agreement were volunteered, but according to well-informed sources from both sides, the guerrillas accepted partial control on arms in exchange for freedom to discipline their own men.

The semi-official newspaper Al Aqsa reported that the guerrillas also demanded at least one head should roll. Gen. Kallani was not the only hawk in King Hussein's cabinet, and other hardliners may fall victim to guerrilla demands.

The king's uncle, Maj. Gen. Sherif Nasser bin-Jamil, commander-in-chief of the armed forces, has been linked with Gen. Kallani. However, there is no indication that he will be an early

target for the Palestinian resistance.

The Egyptian news media did not carry the claim—later denied by the Popular Front for the Liberation of Palestine (General Command) that it was responsible for the Swiss airliner crash.

Commanders Investigation

BEIRUT, Feb. 23 (NYT).—Through investigations carried out by the Unified Command of the commando organizations have proved beyond a shadow of a doubt that none of the guerrilla organizations had anything to do with the explosion of the Swissair jetliner, it was asserted today.

This was announced by the command, which comprises the ten major guerrilla organizations in Jordan, in a statement broadcast tonight by the voice of Al Asifa, the Cairo-based radio of el-Fatah, the largest of these groups.

"The stand of the commando movement regarding the explosion in the Swiss airliner is clear," the announcement said, adding: "The revolution strongly condemns such barbaric actions. No commando contingent would have carried out such action. This is a fact already admitted by the Unified Command after it made certain through accurate and thorough investigations."

Zionism Responsible?

BEIRUT, Feb. 23 (UPI).—A Lebanese government minister today suggested Zionists were responsible for the Swissair crash.

Information Minister Ottman Danis, in a statement to the national news agency, asked: "Could not the hand of international Zionism be behind this incident—especially since American newspapers took up the Israeli accusation even before the Swiss investigators said anything about it?"

"The motive could have been to gain world sympathy for Zionism," he said.

Arab Office Damaged

PARIS, Feb. 23 (UPI).—A brick was thrown through the show window of the United Arab Airlines office in downtown Paris early today, police reported.

The incident occurred some time before 5 a.m. in the office located near the Paris Opera.

Eban Exchanges Assurances With Bonn on Continued Ties

VIENNA, Feb. 23 (UPI).—Austria requested the Arab states today to take measures to prevent further terrorism in international civilian air traffic.

During the tour, the Middle East leaders conferred with US Secretary of State William P. Rogers.

During the tour, the Middle East leaders conferred with US Secretary of State William P. Rogers.

During the tour, the Middle East leaders conferred with US Secretary of State William P. Rogers.

During the tour, the Middle East leaders conferred with US Secretary of State William P. Rogers.

During the tour, the Middle East leaders conferred with US Secretary of State William P. Rogers.

During the tour, the Middle East leaders conferred with US Secretary of State William P. Rogers.

During the tour, the Middle East leaders conferred with US Secretary of State William P. Rogers.

During the tour, the Middle East leaders conferred with US Secretary of State William P. Rogers.

During the tour, the Middle East leaders conferred with US Secretary of State William P. Rogers.

During the tour, the Middle East leaders conferred with US Secretary of State William P. Rogers.

During the tour, the Middle East leaders conferred with US Secretary of State William P. Rogers.

During the tour, the Middle East leaders conferred with US Secretary of State William P. Rogers.

During the tour, the Middle East leaders conferred with US Secretary of State William P. Rogers.

During the tour, the Middle East leaders conferred with US Secretary of State William P. Rogers.

During the tour, the Middle East leaders conferred with US Secretary of State William P. Rogers.

During the tour, the Middle East leaders conferred with US Secretary of State William P. Rogers.

During the tour, the Middle East leaders conferred with US Secretary of State William P. Rogers.

During the tour, the Middle East leaders conferred with US Secretary of State William P. Rogers.

During the tour, the Middle East leaders conferred with US Secretary of State William P. Rogers.

During the tour, the Middle East leaders conferred with US Secretary of State William P. Rogers.

During the tour, the Middle East leaders conferred with US Secretary of State William P. Rogers.

During the tour, the Middle East leaders conferred with US Secretary of State William P. Rogers.

During the tour, the Middle East leaders conferred with US Secretary of State William P. Rogers.

During the tour, the Middle East leaders conferred with US Secretary of State William P. Rogers.

During the tour, the Middle East leaders conferred with US Secretary of State William P. Rogers.

During the tour, the Middle East leaders conferred with US Secretary of State William P. Rogers.

During the tour, the Middle East leaders conferred with US Secretary of State William P. Rogers.

During the tour, the Middle East leaders conferred with US Secretary of State William P. Rogers.

During the tour, the Middle East leaders conferred with US Secretary of State William P. Rogers.

During the tour, the Middle East leaders conferred with US Secretary of State William P. Rogers.

During the tour, the Middle East leaders conferred with US Secretary of State William P. Rogers.

During the tour, the Middle East leaders conferred with US Secretary of State William P. Rogers.

During the tour, the Middle East leaders conferred with US Secretary of State William P. Rogers.

During the tour, the Middle East leaders conferred with US Secretary of State William P. Rogers.

During the tour, the Middle East leaders conferred with US Secretary of State William P. Rogers.

During the tour, the Middle East leaders conferred with US Secretary of State William P. Rogers.

During the tour, the Middle East leaders conferred with US Secretary of State William P. Rogers.

During the tour, the Middle East leaders conferred with US Secretary of State William P. Rogers.

During the tour, the Middle East leaders conferred with US Secretary of State William P. Rogers.

During the tour, the Middle East leaders conferred with US Secretary of State William P. Rogers.

During the tour, the Middle East leaders conferred with US Secretary of State William P. Rogers.

During the tour, the Middle East leaders conferred with US Secretary of State William P. Rogers.

During the tour, the Middle East leaders conferred with US Secretary of State William P. Rogers.

During the tour, the Middle East leaders conferred with US Secretary of State William P. Rogers.

During the tour, the Middle East leaders conferred with US Secretary of State William P. Rogers.

During the tour, the Middle East leaders conferred with US Secretary of State William P. Rogers.

During the tour, the Middle East leaders conferred with US Secretary of State William P. Rogers.

During the tour, the Middle East leaders conferred with US Secretary of State William P. Rogers.

During the tour, the Middle East leaders conferred with US Secretary of State William P.

room-to-Room Negotiations*

Chicago Trial Attorney Plans Appeal Over Separated Jury

WILLIAMSTOWN, Mass., Feb. 23.—Leonard I. Weinglass, a defense attorney in the Chicago trial, charged last night that room-to-room negotiating was "ridiculed" by the jury "until all came to a verdict of guilty" for all the defendants.

Mr. Weinglass told an audience at Williams College that when they returned to the hotel to deliberate, four members felt the guards were innocent of the charge of crossing state lines with intent to incite a riot. The four returned to one room, the eight returned to another," said, resulting in a verdict that "a complete failure of the

deliberating process" by having the jury split up.

"On these grounds, we intend to present our appeal," said Mr. Weinglass.

Earlier, Mr. Weinglass told newsmen that Judge Julius J. Hoffman had made it clear he had "his own theories about how to stop the increasing crime rate; that is to clamp down on defense counsels."

Mr. Weinglass was found guilty of 14 counts of contempt of court during the 20-week trial. He was sentenced to one year, eight months and 13 days in jail by Judge Hoffman.

William Kunstler, the other defense attorney, was sentenced to four years and 13 days on contempt charges and all seven defendants also were given terms for contempt.

"Much of what happened was provoked by the court itself," Mr. Weinglass said.

Of the planned American Bar Association investigation of the trial, Mr. Weinglass said, "It will show that Judge Hoffman was temperamentally unfit for the trial."

Hoffman Assailed

NEW YORK, Feb. 23 (UPI).—The National Association of Defense Lawyers criticized Judge Julius J. Hoffman yesterday for remarks he made during the trial of the Chicago Seven saying certain defense lawyers were partly responsible for the rise in crime.

Judge Hoffman made his remarks while sentencing Mr. Kunstler to jail for contempt of court.

He said that crime was on the increase partly because there "are lawyers willing to go beyond their professional responsibilities in the defense of their clients. The fact that such a defendant knows that such a lawyer is waiting in the wings has a stimulating effect on crime."

The 1,200 member association said: "This wholesale indictment and conviction without trial of bar specializing in the defense of criminal charges is unwarranted and not founded in fact."



United Press International
AND SO TO COURT—Federal District Court Judge Julius J. Hoffman (right), who presided over the Chicago Seven trial, strolling in city with one of his guards.

Harris Contends Democrats Felt He Seeks Presidency

WASHINGTON, Feb. 23 (UPI).—Sen. Fred R. Harris disclosed yesterday he resigned as national Democratic chairman partly because fellow Democrats suspected he was using the National Committee to build himself up as a presidential candidate.

The Oklahoma senator said the suspicions started when Sen. Edward M. Kennedy of Massachusetts made clear, following his auto accident on Chappaquiddick Island, that he would not be a candidate for the White House in next meeting. "But nobody walked out," he added.

He confirmed that "strong divisions" on Vietnam continued to show when the newly organized Democratic Policy Council debated Vietnam at a recent meeting. "But nobody walked out," he added.

Freedom to Speak

He emphasized that the principal reasons were a desire for greater freedom to speak out on the issues and confidence he had carried the party through a difficult transitional period. Nevertheless, he felt he could not operate effectively as chairman with his motives under question.

He said he assumed when he took the chairmanship that he would serve through this year's elections, but changed his mind after his motives became suspect.

"While it has not been a problem for me before," Sen. Harris said, "there were some who wondered if I myself, might be a candidate for President in 1972. And therefore wondered perhaps if I was using this party post to further my own national ambitions."

Sen. Harris stated flatly he was not a candidate for either the presidential or vice-presidential nomination in 1972.

"I have no intention of being a candidate," he said.

U.S. Price Rise Fourth Biggest

NEW YORK, Feb. 23 (AP).—Consumer prices rose 5.5 percent in the United States between June, 1968, and June, 1969, an increase exceeded in industrial nations only by Japan, France and the Netherlands, the government reported today.

Consumer prices were up from 5.8 percent to 7.8 percent in the other three countries, while ten other industrial nations showed a lower rate of increase than the United States, according to the Bureau of Labor Statistics.

In the last five years, a Bureau study showed, U.S. food prices have risen 15 percent, rent 20 percent and medical costs 23 percent.

Since 1958, consumer prices have risen 37 percent in the United States. They increased 70 percent in Japan and Denmark in the same period.

Stand-in in Congress?

NEW YORK, Feb. 23 (AP).—Rep. Bertram L. Podell, D., N.Y., said today that the State Department plans to fill the House of Representatives with outsiders Wednesday to make it appear that the whole membership turned out for the speech of President Pompidou.

In fact, Rep. Podell claimed, at least one-third of the 435 House members plan to boycott the joint House-Senate session to show their dislike of Mr. Pompidou's Middle East policy.

He said administrative assistants,

page boys and secretaries would be used to make the place look full.

'Revisionist Attitudes' Give China a Pollution Problem

By Tillman Durdin

HONG KONG, Feb. 23 (NYT).—Communist China reported yesterday that it, too, faces problems of industrial pollution, but it said they are being solved by frugality and Maoist ingenuity.

A report on the subject, relayed to Hong Kong from Shanghai by the official press agency Hsinhua, is believed to represent the first public indication that the Chinese Communists recognize a pollution problem.

Predictably, they placed the blame for pollution on "laissez-faire capitalist-revisionist attitudes" and the operation of enterprises for profit.

The report, which deals with pollution in Shanghai, Communist China's major industrial city, said the problem was not solved there until "the counter-revolutionary trash" of "putting profit in command" was overcome in a "sharp struggle." The report blames Liu Shao-chi, the purged former chief of state, and "his local agents" for the laissez-faire approach.

The basic of the Shanghai solution, Hsinhua explained, is to use wastes from industrial production to make other products, rather than allowing these wastes to pile up as garbage or to foul the city's air and waters.

Hsinhua said that last year the Shanghai chemical industry turned out more than 50 products—including sodium sulfide and manganese carbonate—from waste water, gases and slag. Hsinhua also said that electro-plating plants in Shanghai that once used a highly poisonous sodium cyanide solution in plating metals, thereby poisoning the waste water, have devised a new process that involves "no poison or very little." The waste water that now results from electro-plating is fertile and of benefit to farming.

11 Die in Slovakia Crash

VIENNA, Feb. 23 (UPI).—Eleven persons lost their lives in a train crash in Slovakia today, the Czechoslovak news agency CTX reported. CTX said that an engine crashed into a passenger train shortly before noon on the Meziric-Puchov line. The report said nine persons were seriously injured.

Vote at 18 Is Pressed in Amendment

Kennedy and Bayh Seeking Change

By John W. Finney

WASHINGTON, Feb. 23 (NYT).—Two Democratic liberals in the Senate—Edward M. Kennedy of Massachusetts and Birch Bayh of Indiana—are drafting a plan to use the administration's voting rights bill as a legislative vehicle to reduce the voting age to 18.

Instead of pursuing the time-consuming constitutional amendment route, their plan is to lower the voting age immediately through law by attaching an amendment to the Voting Rights Act giving 18-year-olds the right to vote in all elections—federal, state and local.

In the past week Sen. Kennedy has circulated a legal memorandum among some of his colleagues explaining why, on legal and political grounds, he believes it would be preferable to lower the voting age by law rather than through a constitutional amendment.

Sen. Bayh, who as chairman of the Senate judiciary subcommittee on constitutional amendments has been advocating a constitutional amendment lowering the voting age, is understood to be sympathetic to Sen. Kennedy's proposal.

The administration, carrying out a pledge made by President Nixon during his 1968 campaign, last week endorsed a constitutional amendment that would lower the voting age to 18 in federal elections.

Despite this White House endorsement, however, it is regarded as unlikely that a constitutional amendment will emerge from the conservative-dominated Senate Judiciary Committee in the foreseeable future.

Sen. Kennedy's approach will be to offer an amendment to legislation, scheduled to reach the Senate floor next week, extending the 1965 Voting Rights Act.

One possible political complication, being weighed by the two senators, is that introduction of the amendment might hamper efforts to obtain the two-thirds cloture vote to choke off a Southern filibuster on the voting rights bill.

The administration has proposed, in effect, to repeal the 1965 law aimed at voter discrimination in Southern states, by replacing it with a nationwide ban on literacy tests.

The administration substitute was accepted last year by the House, but in the Senate a bipartisan coalition is intent on extending the 1965 law with some modifications.

While the coalition apparently commands a simple majority in the Senate, it remains unclear whether it can gather the necessary two-thirds vote to break a Southern filibuster.



United Press International
A New York policeman examines the arms cache seized during a raid Sunday.

12 White Backers of Panthers Seized With Arsenal in Raid

A Police Hero Disarmed by Hand Grenade

NEW YORK, Feb. 23 (AP).—A police raid has led to the seizure of an arsenal of assorted weapons and the arrest of 12 young men and women belonging to a white militant organization that supports the Black Panther party in the United States.

The weapons confiscated last night included a 12-gauge shotgun, three pistols, three knives, a sword and several hundred rounds of ammunition, police said. In addition, police found four gas masks, three reels of film and Black Panther and Patriot party pamphlets.

Those arrested, including three women, told police they were "revolutionaries" and members of the Patriot party, which they said supports the Black Panthers and is aimed at radicalizing working-class whites.

They were wearing Black Panther buttons and ranged in age from 17 to 27.

The arrests were made at a sixth-floor apartment on Manhattan's Upper West Side and in a car parked near the building entrance. Police said the raid was launched when two detectives watching the

apartment saw weapons being carried from the car into the apartment.

The 12 were charged with illegal possession of firearms and interfering with police.

HEW Bill, Facing Possible Veto, Gets Mansfield Backing

WASHINGTON, Feb. 23 (Reuters).—Senate Democratic leader Mike Mansfield of Montana today announced his support for a revised \$19.4 billion social services appropriation bill, despite administration warnings that President Nixon will veto the bill for the second time.

The revision, passed by the House last Thursday, is \$345 million below a similar measure that the President vetoed last month as inflationary, but is \$34 million above the total Mr. Nixon has said he would accept.

The bill provides funds for the Department of Health, Education, and Welfare for the fiscal year ending June 30.

HEW Secretary Robert Finch said yesterday he would recommend that Mr. Nixon veto the revised bill because it continues to be inflationary.

But Sen. Mansfield told reporters today: "It is time we looked into the needs of pollution and the needs of the ghetto... If we don't put out more money now, then we will pay a higher price later."

Garrison to Remain As New Orleans DA

NEW ORLEANS, La., Feb. 23 (AP).—District Attorney Jim Garrison, who sought to prove a conspiracy was behind the death of President John F. Kennedy, was assured of another term in office when his lone opponent for reelection withdrew from the race.

Philip Trice, a Republican, said Friday night he had abandoned his attempt to unseat the prosecutor. He did not give a reason for leaving the race. Mr. Garrison was unsuccessful in his attempt to convict businessman Clay Shaw on charges of conspiracy after President Kennedy's assassination.

DIAMONDS

You can save up to 50 percent on single diamonds at wholesale prices by ordering direct from Antwerp, the world's largest cut-diamond market.

Give diamonds to your lady, buy for investment, for personal use.

Write airmail for price list or visit us:

Joachim Goldenstein

DIAMOND CLUB

62 Pelikanstrasse,
Antwerp (Belgium).

Gold Medal

HIGH AWARD DIAMOND INTERNATIONAL EXHIBITION
1968-1969-1970

ANNOUNCING THE OPENING OF

Inge's BOUTIQUE INTERIEURE

WIESBADEN on MARCH 7th at 10,00 AM

A new large store with carefully selected exclusive lines of:

GOOD PAINTINGS FROM KNOWN INTERNATIONAL ARTISTS

FINE ALABASTER AND ONYX ACCESSORIES AND LAMPS

INLAID WOOD PICTURES, TABLES AND TRAYS

SPANISH WROUGHT IRON — SPANISH WOOD CARVINGS

BAVARIAN-STYLE CAPES — COATS AND LADIES DRESSES

FINE BOHEMIAN CRYSTAL AND ANTIQUE CLOCKS

MODERN DANISH FURNITURE AND TEAK ACCESSORIES

in addition to the

WORLD'S LARGEST SELECTION OF GENUINE

WALLPAPER ROLLER LAMPS

Come and browse in our production facilities. Select the roller you like and we will make it up to fit your own personal decor—always at least 200 rollers to choose from.

62 Wiesbaden, Danzigerstrasse 12, Phone (06121) 541931

INTERNATIONAL Herald Tribune

Published with The New York Times and The Washington Post

Page 4—Tuesday, February 24, 1978 *

Pompidou in America

President Pompidou has arrived in the United States; his official welcome begins today, and there is some trepidation, both in Paris and in Washington, concerning the nature of his unofficial welcome.

This concern is not without irony. Mr. Pompidou's predecessor was personally far more unpopular in America—although resentment at the De Gaulle lectures and policies was tempered for the older generation, at least, by wartime memories. The mood of Americans, too, has changed to a mellow acceptance of differences among nations; the gaps between French policies and those of the United States have narrowed in most areas.

It can be fairly said, then, that the president of France would have little reason to be troubled about his reception were it not for the question of Israel and the Mirages. And even here it is doubtful whether very many Americans are moved by this issue. The problem is that those who are moved, are deeply moved, and it is the present worldwide tendency to show emotion in public demonstrations.

It is true that neither the American government nor many of its thinking citizens are particularly happy about the way in which the French government, beginning with De Gaulle, aligned itself so thoroughly on the Soviet-Arab side of the Mideast controversy. The effort to reconcile the ap-

parently irreconcilable factors in that dispute is difficult enough without numbering France among the latter. It is basic conflict of policy, the matter of the Mirages is only an additional complication.

Nevertheless, it is the kind of complication that assumes symbolic importance, and lends itself to slogans and harsh words on placards. It would be extremely unfortunate if these appeared—at least in numbers or style beyond those which any head of state can expect in visiting any country outside his own. For President Pompidou's visit provides the occasion for one of those reviews of policies and attitudes which can be extremely useful.

It is not necessary to go back to Lafayette for the roots of present reasons why the United States and France should understand one another better. Shared problems, as well as shared history, give ample force to those reasons. The pace of events has reduced the impact of many Franco-American differences, and that same pace gives new arguments for collaboration in many areas.

So the visit of Mr. Pompidou is welcome, and the great majority of his hosts must hope that it will be fruitful and pleasant. Sentimentally aside, the links between France and America have been too close for too many years to be at the mercy of passing phases of policy—or the barbed phrases of the streets.

To Stop Murder in the Sky

One of the most severe crises in the history of the world's civil aviation has been touched off by the Arab guerrilla sabotage that last weekend destroyed a Swiss airliner flying to Israel and almost destroyed an Austrian plane. At any given moment, this planet has innumerable national quarrels, miniwars and other conflicts of varying degrees of intensity. When and if partisans in such disputes have reason to believe that the sabotaging of airplanes is an effective means of pursuing their causes, then murder in the sky might become so common as to paralyze the air transport industry. This vulnerability of airplanes makes it particularly important that those who try to profit by such sabotage learn quickly and unequivocally that this tactic is self-defeating.

These considerations are self-evident. Nevertheless, the initial reaction of several European airlines to last weekend's sabotage could, if continued, please the saboteurs. One line simply canceled its regularly scheduled flight from Copenhagen, while other firms which continued flying to Israel banned mail or freight. Unless these stoppages were temporary moves made to improve security, they can only encourage those who planted the bombs.

In the long past history of Arab attacks against Israeli aircraft or against planes bound to Israel, the objective has been to isolate that country by cutting it off from normal transport connections with the rest of the world. If the Arab terrorists see that the latest outrages are advancing their purpose, they will only escalate their effort to blow other Israel-bound planes from the

THE NEW YORK TIMES.

International Opinion

Swissair Catastrophe

News of the Swissair crash has aroused grief and dismay in Switzerland and, since it was a flight to Tel Aviv, worldwide attention as well. Such acts must be called by their proper name—murder. Political motives are not an acceptable justification for the cold-blooded slaughter of passengers and crew. The catastrophe affects not only the victims and their families, Swissair and Switzerland, but civil aviation as a whole.

The question is thus again raised of what can be done to more effectively safeguard international air traffic against such criminal action. Suitable countermeasures must be seriously studied, not only in Bern but in all capitals and in the international organizations. The battle against air piracy and attacks on civil aircraft cannot be waged with further verbal demonstrations, but only with energetic measures which will actually reach those who are really responsible.

—From *Neue Zuercher Zeitung* (Zurich).

* * *

The Arab terrorists who have now spread their murder campaign across Europe will do more harm to their own cause than to Israel.

They will not change Israel's policy, except to make it tougher, and they will forfeit much of the sympathy felt in the West for the Palestinians.

In the International Edition

Seventy-Five Years Ago

Feb. 24, 1903

BERLIN—The Reichstag Budget Committee today voted by an overwhelming majority the money demanded by the government for the construction of four more powerful armored cruisers. Baron Marshall, Secretary of State for Foreign Affairs, made a confidential communication to the committee respecting Germany's relations with other powers in regard to the naval position of different countries around the world.

Fifty Years Ago

Feb. 24, 1923

CAIRO—Cairo at the present moment is the center of intrigue. Political wire-pulling does not appear to be confined to any particular party or nationality. It is to be hoped that a rapprochement will be arrived at between the Egyptians and the British, which will be satisfactory to both sides and eventually bring peace and contentment to most of the inhabitants of this strife-torn country. It will be a long road.



'Dear Secretary Finch—Now You Tell Him...'

Integration Earthquake

By Joseph Alsop

WASHINGTON—Last week, it was like feeling the first sharp tremor of an earthquake, and seeing the first crumbling of a great landmark that has long dominated the scene for many years. The landmark was enforced school integration, first established in the Supreme Court's 1954 decision in the *Brown* case.

"Oh," said his son, "it's not worth having an expensive one. They take away any pen you have after one, two, three days—not more than that. So it's much better to have a lot of very cheap ones."

"They" turned out to be the toughest black boys in the majority-black public school that the senator's son attends in Washington. The school toughs, of course, are natural products of the cruel deep ghetto life, from which they come. But the senator, who nonetheless continued to fight for school integration, did not respond to his son's news from school as millions of other white parents have by now responded to the trouble in the schools.

Half a dozen of the liberals, like Sen. Alan Cranston of California and Joseph Tydings of Maryland, joined Sen. Ribicoff, along with six rights-minded Republicans like Sen. John Cooper of Kentucky. The tally was 65 to 24.

Sen. Edward Kennedy of Massachusetts, Eugene McCarthy of Minnesota, and George McGovern of North Dakota did not vote at all. They could well have had their "no" votes recorded, despite their absence, as did Sen. Edward Brooke of Massachusetts. But they did not trouble to do so.

Ranks Reformed

To be sure, the ranks of the Democratic liberals party reformed in the final vote on the Stennis amendment itself. Yet the end of an era was clearly announced in the roll call analyzed above. The reason for it, or part of the reason for it, was in turn revealed by a story frankly told to Sen. Ribicoff by an old liberal comrade-in-arms, Vice-President Spiro T. Agnew, whose allotted role is that of the plain speaker, who was helping to lead the attack on the new stand Sen. Ribicoff had taken.

In any case, it can be said on positive authority that drug, crime and the troubles in the schools are to be the three main themes if the President does not change his campaign plan in the interval. What the effects of stressing the school theme may be, can in turn be judged by what has happened already.

The terrible fact is that the Supreme Court's decision in *Brown* vs. Board of Education has wholly lost the majority support which it unquestionably had in 1954. The further fact is, moreover, that speaking to the angry about-face is the customary sign that a political earthquake is in progress.

In earthquakes, as long experience has shown, the decisions of the courts tend to be altered or disregarded. That, too, must be expected, if the earthquake is as severe as the first tremors indicate. So what is to be done in this heart-breaking situation?

The best answer has come from the brilliant black columnist of The Washington Post, William Raspberry. In a memorable piece, Raspberry has quietly suggested that "we have spent too much effort on integrating the schools and too little on improving them."

It has to be faced that radical school improvement, especially in the ghetto neighborhoods, will cost a great many billions of dollars a year. But no degree of sacrifice is too great to give every American child, whether black or white, the education needed to be a citizen with a full share in our country. As this reporter has been glibly saying for years, the national future will almost certainly depend on doing this job that now cries out to be done with redoubled urgency.

A Question of Responsibility

By Anthony Lewis

LONDON—For those in Britain and on the Continent who worry that American social problems may soon cross the Atlantic, nothing is more troubling than the drug crisis in the United States. That crisis is not too strong a word was demonstrated by the recent reports, read here in horror, of the widespread use of heroin in American schools.

Where does the responsibility lie for such a tragedy? How can the Europeans avoid it?

The answers, if there are any, are evidently enormously complex. Affluence and war and boredom and poverty and race and the tides of an industrial society must all be involved. But at least part of the responsibility lies with a definable fact: the single-minded attempt by American authorities, over the last 50 years, to control the use of drugs by the criminal law.

Prof. Herbert L. Packer of the Stanford Law School, a moderate man of the highest reputation for professional care in what he says, listed two years ago what he considered "the results of this reliance on the criminal sanction." Among them were these:

- Several hundred thousand people, mostly users rather than "traffickers," have been subjected to severe criminal punishment.

- Users have committed large numbers of burglaries, thefts and other crimes to get money for drugs.

- A significant portion of the country's limited law-enforcement resources has been devoted to the drug field.

- A disturbingly large number of undesirable police practices—unconstitutional searches, entrapment, electronic surveillance—have become habitual because of the great difficulty in the detection of narcotics offenses.

- The medical profession has been intimidated into neglecting this proper role of relieving this form of human misery; and research on the causes, effects and cures of drug use has been stifled.

- A large and well-entrenched enforcement bureaucracy has developed a vested interest in the status quo and has effectively thwarted all but the most marginal reforms.

Since Prof. Packer wrote, the unhappy consequences have become even more obvious. For example, it is now clear that their attempt to enforce the draconian drug laws has led the police not only into harassment; witness Dr. Carl S. Coon's lament in the introduction to his "The Living Races of Man": "Even without reference to the brain or to intelligence, the

Letters

The Taboo of Race

Long before man knew of kings and councils and laws, his behavior in clan and tribe was regulated by taboos. And how tenacious and rigid these ancient prohibitions must have been can be inferred from the fact that, in spite of all evolution, Western society is still nearly as full of taboos as the daily life of an animal in the jungles of the Solomons. With two differences: Most of our taboos are a cultural inheritance of very old date, while the magical penalties in case of their violation are no more.

In these circumstances it is surprising, to say the least, that the United States, the country that for generations has been in the first line of battle for the emancipation of peoples, has created a new, self-imposed taboo which now constitutes a serious menace to the harmonious development of its multiracial community. What I mean is: race. "Race" is no longer to be mentioned, let alone discussed, and those who disregard this taboo, the so-called "racists," are derided as depraved individuals no better than Nazis!

In 1965, this perversion had come to the point where auto-policemen of man could no longer freely discuss and publish their views on racial matters without harassment; witness Dr. Carl S. Coon's lament in the introduction to his "The Living Races of Man": "Even without reference to the brain or to intelligence, the

simple statement that races exist drives a small coterie of vocal critics into a predictable and well-publicized frenzy." Consequently, discussion of the human brain, promised in Prof. Coon's earlier volume "The Origin of Races" (1962), was left out.

But the problems that racial variation entail can only be solved by recognizing and studying them, not by ignoring them, and so, as a result of this alarming bias based on false premises—in the very land where over 350,000 men lost their lives fighting for the freedom of the slaves—a parent, white or black, is no longer free now in his choice of the school for his children. Is it to be wondered then that parents and children alike are on the verge of rebellion?

Perhaps, now that President Nixon has declared his personal opposition to the busing of schoolchildren (INT'L, Feb. 18), something will be done to stop this outrage.

HENDRIK SPIERES
Merano, Italy

Old-School Notion

One agrees with the tenor of Mr. Elmer C. Swanson's remarks (INT'L, Feb. 17). Spanish Adventure, INT'L, Feb. 17, except one: intelligent enough to be students in a university."

Such a romantic, old-fashioned notion surely marks Mr. Swanson as an idealist.

WALTER WYANT
Athens

Bernard Levin

From London:

Mr. Wilson is no longer seen as Labor's unbeatable electoral asset, nor Mr. Heath as the albatross round the Tories' necks.

London—A new phrase is on everybody's lips; well, at any rate it is on the political commentators' pens. We keep hearing about a character called "the new Heath."

And it is a conviction that has come upon him only lately. For a long time, though the opinion polls, and the by-election results, were registering massive swings toward the Tories, the polls that asked voters to indicate a preference between the two party leaders showed an obstinate and ominous majority for Mr. Wilson, who was running far, far ahead of his own party, while Mr. Heath was running far, far behind his.

not quite certainly, are, but it is the conviction that has transformed Mr. Heath.

And it is a conviction that has come upon him only lately. For a long time, though the opinion polls, and the by-election results, were registering massive swings toward the Tories, the polls that asked voters to indicate a preference between the two party leaders showed an obstinate and ominous majority for Mr. Wilson, who was running far, far ahead of his own party, while Mr. Heath was running far, far behind his.

Beatable Leader

That has now changed; the gap has closed. Mr. Wilson is no longer seen as Labor's unbeatable electoral asset, nor Mr. Heath as the albatross round the Tories' necks.

And what the polls say, Mr. Heath feels. His confidence (it is not the result of the polls, of course, but is obviously much strengthened by them) is unmistakable; it is the self-confidence of a man who is certain that within at most just over a year he is going to be prime minister. He could afford to slap down Mr. Enoch Powell after another of the latter's racist outbursts, heedless of those in his own ranks who prefer Powell to him. He goes on television and entirely dominates the interview, instead of, as previously, appearing to apologize for his very existence. He tears into the government like it is the crucial clue—a man who no longer needs to argue a case that his audience has already accepted.

At the time of the last general election, the nation was being much amused by the sidebar provided by the two giant pandas—one owned by the London Zoo, one by the Moscow Zoo—that had been brought together in London in the hope that they might mate and produce a lot of little pandas. (They didn't.)

At one point, Mr. Heath was giving a press conference, while the election campaign was at its height. He was attacking Mr. Wilson's extravagant claims. His policies, for instance, the one who, with his closest advisers, held a crucial private conference a few weeks ago, from which they emerged with the outlines of their election strategy, consist largely of appealing but perfunctory slogans like "law and order," or promises their details lacking to bring down the cost of living, stabilizing prices and get the country moving again, which have been made by every politician since the war, and when I say the war I mean the one in 1968.

He is standing with his own party certainly seems to have improved; but the improvement, on closer inspection, turns out to be largely illusory. At the Conservatives' annual conference he gets a longer and longer standing ovation each year, but this is artificial; one of the most pathetic sights in British politics is that of the cheerleaders at the Tory conference looking at their watches and redoubling their efforts to ensure that Mr. Heath's ovation lasts longer than Mr. Wilson's at the rival shindig. The muttering of criticism of his leadership, once to be heard incessantly from those who were his ostensible supporters, has certainly diminished; but that is what always happens when the election is too near for a change of leader to be contemplated—it is happening across the political divide with Mr. Wilson, too.

Then where lies the newness of the new Heath? In this alone, but with a significance that can hardly be exaggerated: Mr. Heath now convinced that he and his party are going to win the next election. Never mind whether they are right; they probably, though

The International Herald Tribune welcomes letters from readers. Short letters have a better chance of being published. All letters are subject to condensation for space reasons. Anonymous letters will not be considered for publication. Writers may request that their letters be signed only with initials, but preference will be given to those fully signed and bearing the writer's complete address.

INTERNATIONAL Herald Tribune

Published with The New York Times and The Washington Post

Chairman
John Hay Whitney
Co-Chairman
Katherine Graham
Arthur Ochs Sulzberger
Publisher
Robert T. MacDonald
Editor
Murray M. Weiss
General Manager
André Bing
George W. Bates, Managing Editor; Roy Meyer, Assistant Managing Editor

Published and printed by International Herald Tribune as an independent newspaper.
Paris, Tel.: 555-35-44. Other, 52-50.
Herald, Paris, Captain Herald, Paris

Le Directeur de la publication: Walter H. Tinker.

Subscription: 6 mos \$65 12 mos \$125 1 yr \$150 2 yrs \$200 3 yrs \$250

Algeria (air) ...P... 75.00 145.00 254.00 354.00
Australia (air) ...S... 65.00 130.00 162.00 202.00
Brazil (air) ...B... 125.00 250.00 350.00 450.00
Canada (air) ...C... 55.00 110.

Russia Says BM 'Reliably' Hits' Rockets

respective of Height,
Speed and Distance'

By Bernard Gwertzman
Moscow, Feb. 23 (NYT).—The
Union today ended a pro-
long silence on the capability of
anti-missile defenses by assert-
ing that they can "reliably hit"
rockets at any height or
speed and at great distances from
targeted targets.

A statement was included in
a note by the Defense Minister,
Gen. Andrei A. Grechko, commanding Armed Forces Day
article in Pravda, the Com-
munist party paper, contained the
authoritative discussion of
anti-ballistic missiles in the
U.S. since 1967.

With the vociferous debate in
the United States on the merits of
defense systems and the
disclosures of American
and Soviet ABM capa-
bilities, the Soviet Union has re-
mained virtually silent about its
plan for the past three years.

Blackout Was Suspected

Soviet diplomats have suspected
at the blackout, our discussion
that the United States
not follow the Soviet lead
deploy its own anti-missile
systems. The decision by Pres-
Nixon to go ahead with the
program, backed by a
majority in the Congress,
is the impact in the United
of any Soviet statement.

The Grechko statement does
not argue used by
commentators who have
said that Safeguard was a
lot of money.

Gen. Grechko's comments
seem to indicate continued
interest in developing the
power weapons system, and
now appears to represent a
positive Soviet evaluation of
effectiveness of ABMs over
past three years.

After reviewing accomplishments
in other branches of the
army, he said:

Great changes have taken place
in the country's air defense.
We possess weapons capable
of reliably hitting enemy air
and missiles irrespective of
or speed of their flight, at
distances from the defended
area."

It seemed to be saying that
the Soviet Union is able to
say they are effective.
Soviet officials asserted that
Soviet Union has deployed
10 ABM launchers in a system
around Moscow. Mr. Nixon,
in foreign policy message to
Russia last week, said the Rus-
sians were continuing research
on ABM components and radar.

World Scientists to Be Listening for a Shadow

NEW YORK, Feb. 23 (AP).—
Scientists around the world will be
listening for the fall of a shadow
each night.

It will not be an eclipse of the
sun that day and the cooling
of the moon will fall on Earth. Scientists want to see
the shadow produce a "solar
boom." They want to see
the shadow moving faster
than the speed of sound through
Earth's atmosphere produces a
boom just as an airplane
moves faster than the speed of
sound it produces a "sonic boom."

In the shadow of the moon
the atmosphere, according to
the theory, will result in a slight
rise of the air. Surrounding
clouds move in, pressure would
and the wave would be pro-
duced.

The "solar-lunar boom" does
not will not be like the
sonic boom. It probably will
have a frequency of less than a
per second. The human ear
can hear from 20 to 20,000 cycles.

It is not too cloudy, millions
of Americans and Canadians
will be able to see the total
partial phases will fall on
all of North and Central
America and the northwestern
part of South America.

Mad Releases

Paris Newsman

TUES., Feb. 23 (UPI).—Three
men of a French television
captured in Chad while
their forces returned to
Yekaterinburg but were forced to
a fourth member of the team

crew's chief, Michel Hon-
sfield. Robert Pledge was being
held incommunicado in the Chad
of Fort Lamy. He said he
had told Mr. Pledge would be re-
tained a week.

It was ten minutes before our
time that a Chad function-
naire to inform us that Robert
could not leave," Mr. Ho-
nsfield said. "If we had wanted to
keep him with him, it would
have been by force for
Pledge detention in the
United States.

**Alouette Fire Suicide
in Welforth in France**

PARIS, Feb. 23 (NYT).—A man of 60 burned
to death in front of a
here today in the 12th arrondissement
in Paris. In just over a
man poured gasoline over
himself and set them afire.
He left a letter nearby saying
intended to kill himself police
They said his reasons were
political.



Prince Charles on stage Sunday night.

Charles, in Revue, Blows Lines, Ad Libs for Laffs

CAMBRIDGE, England, Feb.
23 (AP).—Prince Charles gave
the press a preview of his
talents as a stage comedian
last night—and forgot his lines.

The royal fluff won the
biggest laugh of the show.
"I don't know what the hell
comes next," admitted the
student heir to the throne,
dressed in a gas mask and
blue rubber flipper for a role
as a television weather fore-
caster.

"This doesn't happen on the
BBC," he said.

More than 40 news and
cameramen were invited to
Cambridge University for the
dress rehearsal of "Quiet Flows
the Don," a satirical takeout on
food, traditions and university
duties.

Staged by Trinity

The 25 sketches will be staged
this week by Trinity, Prince
Charles's college at Cambridge.
Until the prince dried up,
the review had drawn few ap-
preciative noises from the
audience. Only then did the
laughter begin—to the prince's
embarrassment.

"Now you can see why we
need a dress rehearsal," he
explained.

As the weather forecaster,
Prince Charles delivered lines
like "A warm front over Sweden
will be followed by a cold back,"
and "There is a manic depression
over Ireland."

Then the prince, who will
join the navy when he leaves the
university, threw out the
line: "The naval review at
Portsmouth will be warm and
sunny so there will be no cold
navels."

Court Postpones Plea for Blacks In South Africa

PRETORIA, South Africa, Feb.
23 (AP).—A Supreme Court justice
postponed indefinitely today
an urgent application for protection
from security police for 22
Africans detained under the Ter-
rorism Act.

The application was filed Friday
by 15 relatives of those held.
The detainees were arrested Feb.
16 immediately after they had been
acquitted and discharged on charges
under the Suppression of Com-
munism Act.

They are now under the Ter-
rorism Act pending investigations
of further charges, the police an-
nounced.

Most of the 22 blacks are alleged
to have been officers in or sup-
porters of the banned African Na-
tional Congress.

Three pouches that have arrived
here for the U.S. Embassy since
the restriction took effect will be
returned to Bangkok rather than
be submitted to Cambodian in-
spection. The measure is out of
keeping with the Vienna Conven-
tion, which since 1815 has assured
the speedy dispatch and secrecy
of diplomatic pouches.

No Warning

The restriction on diplomatic
pouches was put into effect without
warning last Thursday evening.
It was initiated, according to
a note delivered to the 30 diplo-
matic missions here after the
close of business Thursday, for the
sake of the security of Cambodia.

While the note did not elaborate
on this phrase, high government
officials assured chiefs of non-
Communist missions that the ac-
tion had been aimed at only two
or three embassies. They were un-
derstood to be the embassies of
China, North Vietnam and the
Provisional Revolutionary Govern-
ment of South Vietnam, or Viet
Cong.

Informed diplomatic sources
gave the following reason for the
measure against diplomatic commun-
ications:

Worried over frequent discov-
eries of false 500-rial bills, the big-
gest Cambodian banknotes, and the
ability of Viet Cong and North
Vietnamese soldiers to buy food
from peasants in the border re-
gions, the government announced
recently that new 500-rial notes
would be put into circulation.

The government set the period
from tomorrow through Saturday for
the currency exchange and an-
nounced March 7 as the date when
the new bills would become legal
tender.

The government acted against
diplomatic pouches, according to
well-placed informants, after hav-
ing received reports that the three
Asian embassies were expecting
large shipments of 500-rial notes—
ones held abroad in violation of
a ban on the export of rials or
counterfeit bills—in a last-minute
effort to exchange them for the
new.

Cambodia Searches Diplomat Pouches for Counterfeit Bills

By Henry Kamm

PHNOM PENH, Cambodia, Feb.
23 (NYT).—Cambodia has taken
the unusual measure of insisting on
examining all incoming and out-
going diplomatic pouches, ap-
parently to forestall an attempt by
three Communist-controlled gov-
ernments to introduce large quan-
tities of illegally held or counter-
feit Cambodian currency.

The move, which has not been
publicly announced, came at a
time when this neutralist country
was showing signs of feeling in-

Charles Abrams, Urban Planner, Is Dead at 63

NEW YORK, Feb. 23 (NYT).—
Charles Abrams, 63, the urban
planner whose views have had a
major effect on housing here and
abroad, died here yesterday.

As one of the world's leading
housing consultants, Mr. Abrams
had helped nearly a score of coun-
tries formulate basic housing
policies. He was once described by
Architectural Forum as "perhaps
the foremost housing consultant in
the United States" and on another
occasion was called the "champion
of the urban dweller and the
pedestrian."

He taught at the Massachusetts
Institute of Technology from 1957
to 1965 and in 1968-69 took a leave
of absence from Columbia Univer-
sity, where he was chairman of the
Division of Urban Planning, to the
William Professorship of City
Planning at the Harvard University
School of Design.

Mr. Abrams was born in Vilna,
Poland, on Sept. 20, 1901, the
youngest of four children in an
orthodox Jewish family. In 1904
the family emigrated to the United
States.

Mrs. Emily Hammond

NEW YORK, Feb. 23 (NYT).—
Mrs. Emily Vanderbilt Sloane Ham-
mond, 64, a leader in philanthropic
activities, died at her home here
yesterday.

Mrs. Hammond was the widow of
John Henry Hammond, a New
York lawyer, banker and corpora-
tion director, who died in 1949.
An heiress to the Sloane and
Vanderbilt fortunes, she gave much
of her time to good works, even
while rearing her family of five
children.

Discord Rises Among Italy's Center-Left

New Strikes Plague Efforts to End Crisis

ROME, Feb. 23 (AP).—Disagree-
ment mounted among Italy's four
center-left parties today and
Premier-Designate Mariano Rumor
was reported to have threatened
to give up efforts to form a new
government.

Mr. Rumor, a Christian Demo-
ocrat, postponed talks with other
party leaders that had been
scheduled to take up the con-
troversial issues of divorce, am-
nesty for workers arrested during
recent strikes and relations with
Italy's large Communist party.

He reportedly told leaders of
the Socialists, the Unitarian
Socialists and the smaller Repub-
lican party that unless they
were willing to compromise their
positions on these issues he would
reject his mandate.

The 120,000 power workers called
a 72-hour nationwide strike start-
ing today after negotiations for a
new contract were broken off. The
workers, are demanding a 10 per-
cent pay increase and fringe
benefits.

Public transport was halted for
four hours in Rome, leading to
traffic chaos throughout the city.
The strike was a preview of a
24-hour walkout scheduled to start
Thursday in central Italy.

Truce to End Crisis

Plagued by these unexpected
new strikes, Mr. Rumor entered
his second week of intense political
consultations designed to end
Italy's government crisis.

Last week, Mr. Rumor pain-
stakingly hammered out agreement
on only one single issue of a plat-
form for Italy's four center-left
parties. The parties agreed to re-
quest Communist help in passing
government bills in parliament.

Italy's state-run television, torn
by a fierce internecine dispute over
censorship, blanketed out one of its
two channels in the power work-
ers' strike for the day while radio
limped alone on prerecorded pro-
grams.

The strike at Italian television
appeared to have the most wide-
ranging political consequences, af-
ter the resignation of network
president Aldo Sandulli last Fri-
day.

Mr. Sandulli resigned in a dis-
pute over censorship with tele-
vision's conservative vice-president
Italo De Feo, a former private
secretary of Italian President
Giuseppe Saragat.

Newsmen for the state radio and
television proclaimed a 24-hour
strike to demand democratic rights
and Mr. De Feo's ouster.

Artist and Work at N.Y. Museum of Modern Art

French Fashion in Chaos Over the Longer Skirt

By Helle Dorsey

PARIS, Feb. 23.—The French
clothing industry is in deep

trouble because of the couture's
recent, unabated stand on long

skirts.

Retailers, who passed their
spring and summer orders six
months ago are now getting
them and 90 per cent of the
clothes are short. With the
long skirts more than looming on
the horizon, the average,
middle-aged matron is thor-
oughly mixed up. She wants to
wait and see. As a result she's
stalled her buying. True, the
young people have been buying
long for some months now—but
business-wise, they're minor-

ity. The situation is getting so
critical that the Federation
Française du Vêtement Féminin
(French Federation of Women's
Clothing) held a meeting with
representatives from 13 Euro-
pean countries early this month
to set what could be done to
reassure the customer. The
idea is to convince her she's
safe in buying short. Technically,
nothing can be done to change
the current ready-to-wear
spring and summer collections.

The French Institute of Public
Opinion (IFOP) was com-
missioned by the French Cloth-
ing Federation to conduct a
survey to establish whether the
short or the long of it would
take over. First, Frenchmen
were interviewed and that was
an easy success: 82 percent of
the men declared short skirts
more attractive; 94 percent pre-
ferred their women in short
skirts in summer. Only 6 per-
cent found long skirts more attrac-
tive and an even smaller
percentage, 4 percent, liked to
get out with midi-skirted women.

Another problem long skirts
raise in the mass market is
price. A woman might pay a
little more for a long coat be-
cause it's supposed to last
longer, but she will resent
higher prices in summer dresses.

Manufacturers' Fear

Manufacturers are particu-
larly bitter. They feel they've
been double-crossed by the high-
fashion designers. They are
doubtful about lengthening
whatever clothes are still in the
making because they fear that
average women are not ready

for the long look yet. It's all
very well for rich, idle ladies
to go long, but nobody could
expect the working girl to follow
suit. "In the poorer sections
of Paris, like Belleville," a spokes-
woman for the federa-
tion said, "long skirts are
still looked upon as costumes."

Yet the handwriting is on the
wall. Even department stores,
who should be pushing short
skirts since they make up the bulk
of their stocks, can't resist the
novelty angle. They are taking
newspaper ads plugging the
"Maximode" (Le Bon Marché)
or the "Résolution Long" look
(Galerie Lafayette).

For fashion experts, there is
little doubt that the long look
will be the fashion story by
next fall. But the point now
is to live through the spring
and summer seasons without
the stores and manufacturers
experiencing a financial fiasco.

Mrs. Pompidou Plays It Safe In Trendy Wardrobe for U.S.

PARIS, Feb. 23.—Mrs. Georges Pompidou, wife of the French
president, took off today for the United States for a state visit
with a brand new wardrobe from her five favorite couturiers—Cardin, Laroche, Dior, Chanel and Saint Laurent.

While a number of her new clothes, particularly coats, hit
at mid-calf, Mrs. Pompidou stuck to a trend but still conserv-
ative below-the-knee level. During a recent interview, Mrs.
Pompidou wondered whether she should go to lunch with Mrs.
N

France Seeking U.S. Investments

By Clyde H. Farnsworth

PARIS, Feb. 23 (NYT).—President Georges Pompidou of France is going to the United States with hopes of attracting more American capital investment in France, his aides said today.

The basic guidelines governing foreign investment were determined at a meeting of the French cabinet last Thursday.

Although U.S. businessmen are not happy about recent government decisions turning down bids for French companies, Mr. Pompidou's aides characterized the new guidelines as more liberal than in the past.

Seek 'Creative Investment'

While the French will continue to be prejudiced against U.S. acquisitions of existing French companies, particularly in the advanced industrial sectors, they are making an all-out effort to attract what is termed "creative" investment—money that goes into building new plants, principally in developing regions.

In a speech in New York on

New Policy Goal To Be Enunciated

March 2, the French president will enunciate some of the new principles, his aides said.

An example of the policy change that has taken place is the French rejection six years ago of the General Motors proposal to build a major plant in the Strasbourg area, contrasted with the current efforts to encourage Ford Motor Co. to establish a facility here.

Ford Considering Plant

Ford has been considering building a transmission plant in the Marseilles area or in the Ardennes. Mr. Pompidou personally received Henry Ford 2d to assure him of his government's support for the project.

In their weakened balance of payments position, the French are now vitally interested in building export earnings.

Despite the talk of liberalization, U.S. businessmen in Europe have

Common European Money Targeted by EEC for 1980

PARIS, Feb. 23 (Reuters).—The plan the ground for harmonizing economic and monetary policy among the six must be laid, particularly that affecting short and medium-term economic policy.

In the second stage, the Council of Ministers would have overall decision-making powers over the economic orientations of the member states.

The ministers, who today began a two-day conference, will tomorrow discuss in detail proposals for a European economic and monetary union.

The Common Market Executive Commission, West Germany, Belgium and Luxembourg, have all put forward suggestions designed to bring the community towards economic and monetary union.

Raymond Barre, commission vice-president for economic and financial problems, said that it would take eight to ten years for such plans to come to fruition.

Three Plans

The plans put forward by the commission and the three member states all aimed at fixed exchange rates in the long run between the six member countries.

West German Economics Minister Karl Schiller will present his plan for economic and monetary union tomorrow, informed sources said.

Mr. Schiller wants to lodge full power over financial, economic and monetary policy in the hands of the community, create a European council to rule the central banks and fix guaranteed exchange rates among the currencies of the member countries.

The sources said Mr. Schiller's plan extends over at least six years, with the first two stages, according to the initial draft, reaching to 1974-75, the third to 1976 or 1977. But no time limit has been fixed for the fourth stage, the sources said.

In the first stage, according to

Current Budgets Analyzed

PARIS, Feb. 23 (AP).—Today's session was devoted to discussion of current budgets in the Common Market countries, and plans for unifying tax systems.

Enrico Colombo, Italy's Minister of Treasury, said his budget for 1970 would have to be severe on new spending and rigid on old spending. He added that the deficit would have to be covered by new resources—not by borrowing.

Measures to hold down inflation in West Germany were described by Alex Moeller, the Minister of Finance.

been disturbed by two recent French government vetoes—one of Westinghouse Electric Co.'s effort to acquire Jeumont-Schneider, and the second of International Telephone & Telegraph Co.'s attempt to buy out Pompes Guinard.

French officials explained these actions by arguing in favor of a form of industrial protectionism. For the time being, they said, French industry, under-capitalized and undervalued, is at a disadvantage compared with foreign companies. Furthermore, they pointed out, foreign companies now may buy cheaper francs as a result of last August's devaluation.

Stimulating Mergers

The French government is therefore actively stimulating industrial mergers inside France, promoting these rather than foreign takeovers. If a foreign takeover is deemed essential, officials noted, a European Economic Community would be given preference over a U.S.-controlled company.

For several years the French have been trying to get the EEC authorities to accept an investment policy which would embody this type of subtle discrimination against U.S. companies. Their principal antagonists have been the West Germans, who have advocated a liberal and open investment policy.

Prejudice Admitted

Although the prejudice in favor of a "French" or a "European" solution is freely admitted, aides of Mr. Pompidou said that each takeover bid is considered individually and that in some cases U.S. ownership is favored.

In the third phase, the creation of an economic and monetary union would be taken a stage further with steps towards the creation of a European federal reserve system. During this phase, exchange rates between member countries could only change with the agreement of the other partners.

The sources said that in the fourth stage of the plan, the economic and monetary union would be completed. Economic, finance and monetary policies would be fully harmonized.

The sources also said Belgian Finance Minister Baron Jean Snoy d'Oppuers will present to the meeting another plan, devised by Belgian Prime Minister Gaston Eyskens. It is divided into three two-year stages starting next year and ending in 1977.

Disappointed by Performance

PARIS, Feb. 23 (AP).—Today's session was devoted to discussion of current budgets in the Common Market countries, and plans for unifying tax systems.

Enrico Colombo, Italy's Minister of Treasury, said his budget for 1970 would have to be severe on new spending and rigid on old spending. He added that the deficit would have to be covered by new resources—not by borrowing.

Measures to hold down inflation in West Germany were described by Alex Moeller, the Minister of Finance.

Some in Soviet Union Assail Profit-Oriented Management

By Harry Schwartz

NEW YORK, Feb. 23 (NYT).—Influenital Soviet executives and economists are urging a drastic retreat from the country's present profit-oriented management system as a means of coping with economic difficulties.

A leading Soviet newspaper—apparently prompted by the severity of the threat—gave a noted advocate of "Liberalism"—a half page earlier this month to argue that the way out of the economic problems was more energetic extension of the profit-oriented mechanism rather than any return to the old Stalinist methods of direct orders from the center.

Writing in *Literaturnaya Gazeta*, the noted Soviet economist Alexander Birman denounced "skeptics" who are attributing the slowing down of industrial growth and the failure to speed up technical innovation in that nation's economy to the management reform of 1965.

He identified the "skeptics" as "business executives and scientific workers" who are urging a turn to "scientific administrative methods" away from market orientation.

Hints of Origin

Mr. Birman hinted that the new offensive against the reform stemmed from last December's Communist Party Central Committee meeting where Party Secretary General Leonid I. Brezhnev delivered a blistering attack on inefficiencies, negligence and other weaknesses that produced disappointing economic results last year.

The true source of the difficulties, Mr. Birman argued, is the minimal role profits still play in the economy.

Enterprises are allowed to keep too few of their profits. In addition, a limited amount of materials or machinery is available for enterprises to buy with the profits they do make and keep.

Soviet enterprises, Mr. Birman argues, are still very much at the mercy of higher ranking echelons and are still plagued by continually changing orders and plans. The losses caused by that, he charged, are not felt by the higher echelons, which therefore have no economic incentive to extend freedom of enterprise.

Needs More Time

Most basically he pleads that the four and a half years the profit-oriented mechanism has been in effect constitute too short a period to cure all the deep-seated ills of the economy.

While the debate has raged, the government has released the first economic data for 1970. These show that in January in-

ustrial production was 6.7 percent above that of January, 1968.

The Communist party economic organ, *Ekonomiceskaya Gazeta*, has argued that the improved showing last month indicated recent efforts to tighten labor discipline and otherwise improve economic performance were having a positive effect.

Some Western observers note that an alternative explanation is that the weather in the Soviet Union last month may have been less severe than the crippling cold and snow storms that plagued industry in early 1968.

Last month, the government figures show, oil production was 28 million metric tons, a 10 percent gain; steel output was 9.8 million metric tons, a 6 percent gain, and automobile production was 26,800 units, an 11 percent gain.

But production of turbines, diesel locomotives, machine tools, meat, dairy products and vegetables—all among other commodities—was actually lower in January, 1969, than in January, 1968.

Official figures show, oil production was 6.7 percent above that of January, 1968.

The Communist party economic organ, *Ekonomiceskaya Gazeta*, has argued that the improved showing last month indicated recent efforts to tighten labor discipline and otherwise improve economic performance were having a positive effect.

Some Western observers note that an alternative explanation is that the weather in the Soviet Union last month may have been less severe than the crippling cold and snow storms that plagued industry in early 1968.

Last month, the government figures show, oil production was 28 million metric tons, a 10 percent gain; steel output was 9.8 million metric tons, a 6 percent gain, and automobile production was 26,800 units, an 11 percent gain.

But production of turbines, diesel locomotives, machine tools, meat, dairy products and vegetables—all among other commodities—was actually lower in January, 1969, than in January, 1968.

Official figures show, oil production was 6.7 percent above that of January, 1968.

The Communist party economic organ, *Ekonomiceskaya Gazeta*, has argued that the improved showing last month indicated recent efforts to tighten labor discipline and otherwise improve economic performance were having a positive effect.

Some Western observers note that an alternative explanation is that the weather in the Soviet Union last month may have been less severe than the crippling cold and snow storms that plagued industry in early 1968.

Last month, the government figures show, oil production was 28 million metric tons, a 10 percent gain; steel output was 9.8 million metric tons, a 6 percent gain, and automobile production was 26,800 units, an 11 percent gain.

But production of turbines, diesel locomotives, machine tools, meat, dairy products and vegetables—all among other commodities—was actually lower in January, 1969, than in January, 1968.

Official figures show, oil production was 6.7 percent above that of January, 1968.

The Communist party economic organ, *Ekonomiceskaya Gazeta*, has argued that the improved showing last month indicated recent efforts to tighten labor discipline and otherwise improve economic performance were having a positive effect.

Some Western observers note that an alternative explanation is that the weather in the Soviet Union last month may have been less severe than the crippling cold and snow storms that plagued industry in early 1968.

Last month, the government figures show, oil production was 28 million metric tons, a 10 percent gain; steel output was 9.8 million metric tons, a 6 percent gain, and automobile production was 26,800 units, an 11 percent gain.

But production of turbines, diesel locomotives, machine tools, meat, dairy products and vegetables—all among other commodities—was actually lower in January, 1969, than in January, 1968.

Official figures show, oil production was 6.7 percent above that of January, 1968.

The Communist party economic organ, *Ekonomiceskaya Gazeta*, has argued that the improved showing last month indicated recent efforts to tighten labor discipline and otherwise improve economic performance were having a positive effect.

Some Western observers note that an alternative explanation is that the weather in the Soviet Union last month may have been less severe than the crippling cold and snow storms that plagued industry in early 1968.

Last month, the government figures show, oil production was 28 million metric tons, a 10 percent gain; steel output was 9.8 million metric tons, a 6 percent gain, and automobile production was 26,800 units, an 11 percent gain.

But production of turbines, diesel locomotives, machine tools, meat, dairy products and vegetables—all among other commodities—was actually lower in January, 1969, than in January, 1968.

Official figures show, oil production was 6.7 percent above that of January, 1968.

The Communist party economic organ, *Ekonomiceskaya Gazeta*, has argued that the improved showing last month indicated recent efforts to tighten labor discipline and otherwise improve economic performance were having a positive effect.

Some Western observers note that an alternative explanation is that the weather in the Soviet Union last month may have been less severe than the crippling cold and snow storms that plagued industry in early 1968.

Last month, the government figures show, oil production was 28 million metric tons, a 10 percent gain; steel output was 9.8 million metric tons, a 6 percent gain, and automobile production was 26,800 units, an 11 percent gain.

But production of turbines, diesel locomotives, machine tools, meat, dairy products and vegetables—all among other commodities—was actually lower in January, 1969, than in January, 1968.

Official figures show, oil production was 6.7 percent above that of January, 1968.

The Communist party economic organ, *Ekonomiceskaya Gazeta*, has argued that the improved showing last month indicated recent efforts to tighten labor discipline and otherwise improve economic performance were having a positive effect.

Some Western observers note that an alternative explanation is that the weather in the Soviet Union last month may have been less severe than the crippling cold and snow storms that plagued industry in early 1968.

Last month, the government figures show, oil production was 28 million metric tons, a 10 percent gain; steel output was 9.8 million metric tons, a 6 percent gain, and automobile production was 26,800 units, an 11 percent gain.

But production of turbines, diesel locomotives, machine tools, meat, dairy products and vegetables—all among other commodities—was actually lower in January, 1969, than in January, 1968.

Official figures show, oil production was 6.7 percent above that of January, 1968.

The Communist party economic organ, *Ekonomiceskaya Gazeta*, has argued that the improved showing last month indicated recent efforts to tighten labor discipline and otherwise improve economic performance were having a positive effect.

Some Western observers note that an alternative explanation is that the weather in the Soviet Union last month may have been less severe than the crippling cold and snow storms that plagued industry in early 1968.

Last month, the government figures show, oil production was 28 million metric tons, a 10 percent gain; steel output was 9.8 million metric tons, a 6 percent gain, and automobile production was 26,800 units, an 11 percent gain.

But production of turbines, diesel locomotives, machine tools, meat, dairy products and vegetables—all among other commodities—was actually lower in January, 1969, than in January, 1968.

Official figures show, oil production was 6.7 percent above that of January, 1968.

The Communist party economic organ, *Ekonomiceskaya Gazeta*, has argued that the improved showing last month indicated recent efforts to tighten labor discipline and otherwise improve economic performance were having a positive effect.

Some Western observers note that an alternative explanation is that the weather in the Soviet Union last month may have been less severe than the crippling cold and snow storms that plagued industry in early 1968.

Last month, the government figures show, oil production was 28 million metric tons, a 10 percent gain; steel output was 9.8 million metric tons, a 6 percent gain, and automobile production was 26,800 units, an 11 percent gain.

But production of turbines, diesel locomotives, machine tools, meat, dairy products and vegetables—all among other commodities—was actually lower in January, 1969, than in January, 1968.

Official figures show, oil production was 6.7 percent above that of January, 1968.

The Communist party economic organ, *Ekonomiceskaya Gazeta*, has argued that the improved showing last month indicated recent efforts to tighten labor discipline and otherwise improve economic performance were having a positive effect.

Some Western observers note that an alternative explanation is that the weather in the Soviet Union last month may have been less severe than the crippling cold and snow storms that plagued industry in early 1968.

Last month, the government figures show, oil production was 28 million metric tons, a 10 percent gain; steel output was 9.8 million metric tons, a 6 percent gain, and automobile production was 26,800 units, an 11 percent gain.

But production of turbines, diesel locomotives, machine tools, meat, dairy products and vegetables—all among other commodities—was actually lower in January, 1969,

Japan

Page 7

Japan: The Economic Upswing Shows No Sign of a Slowdown

TOKYO.—Japan has entered 1970 with the most bullish of outlooks for the coming decade.

Within six years, Japan's gross national product will exceed the current combined GNP of all six members of the European Economic Community (EEC), forecasts the Japan Economic Research Center.

Yet Japan, though populous, has a land area of only 142,722 square miles stretched over four main mountainous islands and nearly 3,000 small islands, most of them islets. All combined, the islands cover less territory than California with its 156,693 square miles.

As the currently popular term in Japan would have it, Japan is expected to achieve within the next few years the world's highest "economic density" (GNP per square mile or kilometer).

Some senior Japanese government officials, particularly those in the finance ministry, are inclined to dismiss long-range projections about Japan's economy as "mere arithmetic exercises" based on past performance.

Nevertheless, for the next year or so, at least, most Japanese banks and financial institutions are expecting Japan to record real economic growth of 12 to 13 percent.

Fuji Bank Ltd., for one, says it expects Japan's economy to achieve real growth of 12.1 percent in Japan's 1970 fiscal year that will start April 1 this year.

Looking further ahead, the Japan Economic Research Center predicts average real growth of 12.4 percent annually from fiscal 1971 through fiscal 1975.

A Comparison

By comparison the rest of the developed, non-Communist world appears to be making only the most modest of economic progress. In December, the Organization for Economic Cooperation and Development (OECD) forecast that the combined real output of its 22-member countries would rise only about 3.5 percent this year.

Much of the confidence about Japan's economic outlook stems from what appears to be the country's success in overcoming its previous tendency to run into balance of payments difficulties when its economy was expanding at full tilt.

Five times since World War II (1953, 1957, 1961, 1964, 1967), Japan was obliged to impose restraints on its economy because of a deterioration in its balance of payments.

However, the economy, now in the 52d month of an upswing that began in November, 1965, is currently growing at an estimated annual real rate of 13 percent and the balance-of-payments position has never been so strong.

Japan's federation of economic organizations (Keidanren) has forecast that Japan will have a balance of payments surplus of \$1.85 billion in fiscal 1970, a year in which the Keidanren says it is looking for real growth of 11.8 percent.

Japanese government officials believe the economy is growing too fast even though the external payments is in surplus. Much of the concern centers on prices, both consumer and wholesale. In fiscal 1969, consumer prices are expected to rise about 5.6 percent and wholesale prices about 2.8 percent despite government efforts to restrain them.

One official said Japan would be at a serious disadvantage competitively on international markets if prices abroad had not been rising rapidly too.

The official said the government "isn't so worried" about trade prospects in 1970 despite the possibility of an economic slowdown or recession in the United States, which takes almost a third of Japan's exports.

Recent export letter of credit statistics, in fact, indicate that Japan's exports will continue to surge ahead for some time to come.

A Bright Picture

These statistics, considered an indicator of trade performance a few months ahead, point to a substantial increase in Japan's exports in the first few months of this year, particularly to Europe. Export letter of credit receipts from Europe in recent months have been running more than 50 percent above the year-earlier level.



BIGGEST STEEL COMPANY IN OFFING FOR JAPAN

OKYO.—Next month Yawata Iron and Steel Co. and Fuji Iron and Steel Co. plan to merge into what may be the world's largest steel company.

The amalgamated enterprise is to be known, appropriately enough, as Nippon Steel Corp. In terms of crude steel production, Yawata, says Nippon Steel, if it existed then, would have been the production king of world steel producers at end of 1968.

U.S. Steel (29,349,000 metric t.), British Iron and Steel (17,000 m.t.), Nippon Steel (17,000 m.t.), Bethlehem Steel (18,481,000 m.t.), American Bridge A.G. (11,548,000 m.t.), Franklin (10,040,000 m.t.), Dusseldorf Hoogovens (9,400,000 m.t.), Republic Steel Corp. (8,844,000 m.t.), Nippon K.K. (8,267,000 m.t.), and Metal Industries Ltd. (8,000 m.t.).

This year Yawata-Fuji output is expected to exceed that of

British Iron and Steel and advance close to that of U.S. Steel.

For the year ended Sept. 30, Yawata and Fuji produced 20,536,831 m.t. of crude steel, more than a third of Japan's total steel output.

Just what, if any, impact the Fuji-Yawata merger will have on the international steel market is difficult to say.

Spokesmen for the firms have said the merger will make Japan more competitive on the world steel market. This prediction prompted a laugh from an executive of a rival Japanese steel maker.

Forne steelmen already consider the Japanese steel industry to be "too competitive" in view of the Japanese industry's modern production facilities and comparatively low wage costs.

On the domestic Japanese market, however, the merger may have considerable significance, particularly if Nippon Steel tries to take the role of price leader and coordinator of investments in new steel production facilities.

These were among the concerns of Japan's Fair Trade Commission, which, after block-

(Continued on Page 8, Col. 5)

Yamaichi for Japanese Securities

Yamaichi is Japan's oldest securities firm. It is the most experienced in all aspects of investment. Working closely with financial institutions throughout the world.

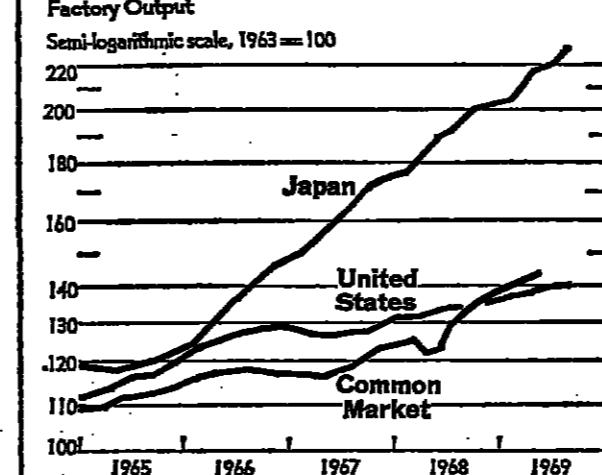
Yamaichi offers full services as underwriters, distributors, brokers and dealers. To all types of institutional investors.

Since 1897

YAMAICHI
SECURITIES CO., LTD.
Underwriters, Distributors, Brokers & Dealers

HEAD OFFICE: Tokyo, Japan. Telex: TK 2505, TK 2958
LONDON OFFICE: Tel 623-9091/2 Telex: LN 262141
FRANKFURT OFFICE: Tel 59 03 59 Telex: 4-14996
Sekiyoshi:
YAMAICHI SECURITIES CO. OF NEW YORK, INC.
NEW YORK—Tel: CO 7-5900 Telex: NY 2357
LOS ANGELES—Tel: 626-0401 Telex: TWX 910-321-3890

Japan's Industrial Growth Compared



Exports for fiscal 1969 on a customs clearance basis are expected to total 16.72 billion, free on board, up from \$13.72 billion in fiscal 1968 that ended March 31, 1969, and up more than three times from \$5.01 billion in fiscal 1962.

For fiscal 1970, the ministry of international trade and

industry forecasts that exports would reach \$19.35 billion. Fiscal 1970, it said, is expected to show a trade surplus of \$4,360 million.

The trade surplus is the big plus in Japan's balance of payments. It more than offsets deficits in most of the country's other external accounts that combine to make up the overall balance of international payments.

Despite the surplus, Japan is only slowly relaxing barriers against foreign goods entering its own market.

"To be quite frank, one has to admit that the Japanese market is well protected," said Olivier Long, secretary general of the General Agreement on Tariffs and Trade (GATT).

Although comparative evaluation of countries' tariff structures is difficult, Mr. Long said in Tokyo recently that initial analysis by computer indicated that Japan has the highest tariffs of all developed countries.

Japan, moreover, is said to maintain, among developed countries, the greatest number of import quotas, restrictions that put quantitative limits on how much can be imported. Scotch whisky, for example, is under Japanese quota and, as the supply is limited, it is prohibitively expensive in Japan for all but the quite affluent.

Japan has pledged to remove by the end of 1971 at least half of the quotas that it considers violate GATT rules. The United States and other countries, however, say the Japanese trade liberalization program is too modest in view of the country's big trade surplus.

THE YEN: PERSISTENT PRESSURE FOR A REVALUATION

By Selig S. Harrison

TOKYO (WP)—Faced with persistent pressures for an upward revaluation of the yen, especially from the United Kingdom and West European countries, Japan is quietly stepping up studies of the possible impact of a 5 to 7 percent adjustment on its all-important export industries.

Most informed observers here see little chance of a change in the rate this year unless rocketing trade balances in the peak months of April and May lead to a sudden upsurge of direct pressure from Washington. But there is a division of expert opinion on long-term prospects.

An influential minority in Japanese official circles argues that a modest and timely revaluation would help to silence foreign demands for liberalization of Japan's trade and investment regulations and would be less damaging than major concessions in these areas.

By making an adjustment of less than 10 percent on its own as permitted under International Monetary Fund rules, it is argued, Japan can avoid exposing itself to IMF demands for more sweeping reform. This view envisages a yen valued at not less than \$30 per dollar in contrast to the present 360.

Bank Sees Misunderstanding

Arguing that the present parity of the yen and the dollar is "just and appropriate," the Mitsubishi Bank contends in its current monthly review that pressures for revaluation reflect a misunderstanding about the real power of the yen. The very fact that critics were urging devaluation as recently as early 1968, bank officials say,

discredits arguments for an upward revaluation now.

The most obvious damage resulting from an abrupt revaluation would fall on overseas business interests in shipping and other areas operating on long-term credits in foreign currencies. Some Japanese businessmen abroad are already beginning to ask for payment in yen just to be on the safe side...

TOKYO STOCK MARKET: A Stellar Performer

TOKYO—The Tokyo stock market, generally speaking, has been a good place to have your money for the past two years and the prospects for 1970 are...

Well, most Japanese securities firms say the prospects are good.

The Tokyo Stock Exchange's 225-share price index closed out 1969 at an all-time high of 2,558.96, up 644.07 or 37.6 percent from 1968's close of 1,714.89 and up 1,076.48 or 83.8 percent from 1967's close of 1,283.47.

So far for 1969 and 1968.

For 1970, here is an abbreviation sheet giving some of the pros and cons that a prospective investor might consider before investing in Japan's stock markets of which the Tokyo Stock Exchange is by far the largest.

The pros:

- The Japanese economy, now in the 52d month of an economic expansion that began in November, 1965, is expected to achieve real growth of 12 to 13 percent in 1970, according to

forecasts by most Japanese banks.

• Corporate earnings in the six months which end March 31, 1970, are expected to increase an average around 9 percent over the preceding six months for 535 firms listed on the Tokyo Stock Exchange that report semi-annual financial results for October-March.

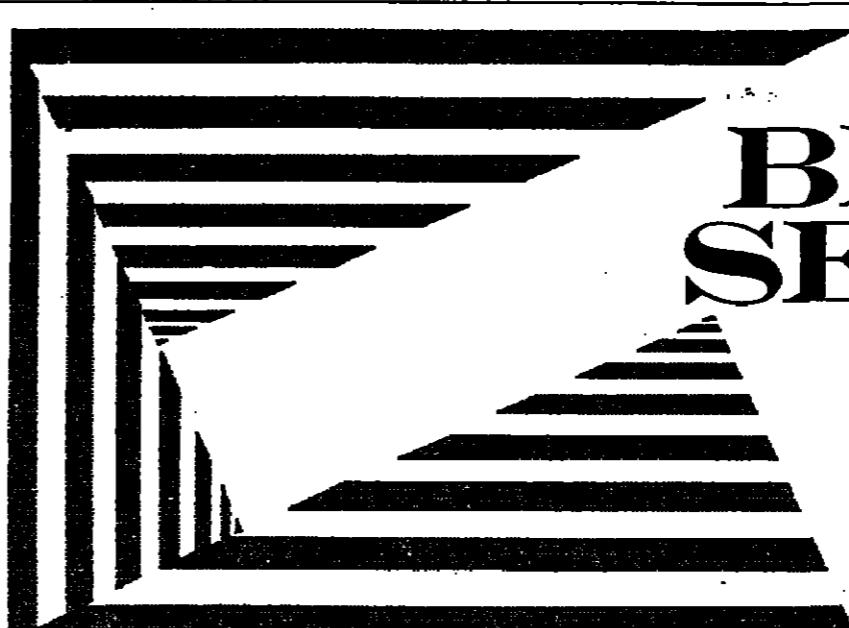
• No radical change is expected in Japan's economic policies as a result of the election victory in December of the pro-business Liberal Democratic party of Prime Minister Eisaku Sato.

• Japan's balance of payments position, which has been strong for 20 consecutive months, is expected to remain strong for the foreseeable future, according to most forecasts.

• In view of the country's strong balance of payments position, new foreign funds are expected to be attracted to the Tokyo market by recurring speculation that the yen may even-

(Continued on Page 18, Col. 6)

FOR BETTER SERVICE TO YOU



223 doors are always open

At Kyowa Bank, just walk right in. You won't find simply another banking facility, but a customer-centered all-around service.

Kyowa keeps close and practical contact with every field of Japanese business and industry. And through its extensive network of 222 branches—the largest operated by any single Japanese bank—Kyowa offers service designed to provide the customer with the broadest range of opportunities in business.

THE KYOWA BANK, LIMITED

4-1, 1-chome, Marunouchi, Chiyoda-ku, Tokyo, Japan

JAPAN

Petrochemicals: Another Major Expansion Looms

By John Hadden

TOKYO—Japan's petrochemical industry is set for a major expansion in 1970, a year that is emerging as a landmark year for ethylene, a basic ingredient for petrochemical products.

Within the next 13 months, five ethylene plants are to go into operation, each with a planned capacity of 300,000 metric tons a year.

Japan currently has one ethylene facility in the 300,000-ton-a-year class.

With the addition of so much capacity next year, the operating ratio of Japan's ethylene equipment, which was 89 percent last year, is expected to drop.

Additional Facilities

However, Japanese petrochemical firms are apparently prepared to risk some surplus capacity in ethylene. Ethylene, said one executive, is as essential to the petrochemical industry as water and should be supplied as abundantly and cheaply as possible.

As well as the five units to be completed within the next 18 months, the government has authorized two other 300,000-ton-plus ethylene facilities for completion in early 1972.

Some petrochemical firms are planning even larger ethylene units in four or five years. Idemitsu Petrochemical Co. said it plans to build a 500,000-ton-a-year ethylene unit at Chiba by 1973. And Mitsubishi Petrochemical Co. said it's planning a 400,000-to-500,000-ton-a-year ethylene facility.

Reflecting the facilities that

are to start operation in 1970, investments in ethylene equipment this year are expected to rise to 40,000 million yen (\$122,300,000) from 28,000 million yen (\$80,600,000) in 1968.

At the end of 1968, the association said U.S. ethylene production capacity totaled 7,500,000 tons annually, followed by Japan and West Germany with about 2,000,000 tons each. Britain 1,200,000 tons and France 1,000,000 tons.

The growth of Japan's ethylene capacity has mirrored the rapid expansion of Japan's petrochemical industry as a whole. Although Japan's petrochemical industry was established less than 15 years ago, it now ranks second to the United States in production among non-Communist countries, the association said.

The industry started its operations with ethylene plants with annual production capacities of 30,000 to 30,000 metric tons.

In June, 1967, the petrochemical firms agreed with the government that future ethylene facilities should have an annual capacity of at least 300,000 metric tons to be competitive internationally.

Strict Control

Despite the petrochemical industry's size, the Japanese government exercises particularly strict control over foreign investments in this sector.

Petrochemicals also are one of only a few areas in which the authorities still insist on the right to examine individually planned contracts for the acquisition of foreign technology by Japanese interests.

One senior government official said the government wants to retain control over the import of petrochemical technology because he said if one Japanese enterprise acquires exclusive rights to foreign know-how, it might be able to disrupt the competitive pattern of the entire industry.

A U.S. petrochemical industry executive said he didn't think the government's position is justified. Japan's petrochemical industry accounts for about 50 percent of Japan's total income from the sale of all technologies.

Of the current equipment investment plans of Japanese petrochemical firms, the industry association said about 40 percent of the projects are based on Japanese-developed techniques while the balance rely on foreign techniques.



The giant Kawasaki Steel works in Mirushima on the Inland Sea. Japan is world's largest steel exporter.

Steel Industry: A Changing Competitive Face

(Continued From Page 7)

ing the merger for months, finally gave the two firms on Oct. 30 conditional clearance to consolidate.

The FTC, the country's antitrust agency, expressed particular concern over what it considered would be the dominant position of Nippon Steel in four products: railroad rails, foundry pig iron, hot-rolled ordinary steels, 37.1 percent; middle plate, 34.4 percent; sheets, 44 percent; wide plate, 50.4 percent; strip and

hoop, 36.5 percent; cold-rolled sheets, 40.7 percent; choice sheets, 64.3 percent; galvanized iron sheets, 22.7 percent; and shapes, 55.4 percent; and rods, 31.7 percent.

A Need for Labor, Coking Coal and Ore

TOKYO.—Japan's steel industry estimates that foreign and domestic demand for Japanese steel, in terms of crude steel, will reach approximately 160 million metric tons in Japan's 1975 fiscal year.

Fiscal 1975 will start April 1, 1975.

In the current 1969 fiscal year that ends March 31, 1970, Japan is expected to produce more than 85 million metric tons of steel, up more than 24 percent from the 68,947,000 in fiscal 1968.

The Japan Iron and Steel Federation said.

Within the Japanese steel industry, considerable doubt is expressed whether Japan will be

able to produce 160 million metric tons of steel in six years because of the prospect that the industry may run short of labor and coking coal.

An executive at Yawata Iron and Steel Co. estimated that the industry's blast furnaces, the largest in the world, would have to pour about 135 million metric tons of pig iron to produce 160 million of steel.

And to produce that much pig iron, he estimated that Japan would have to fuel its blast furnaces with about 155 million metric tons of imported iron ore.

With a view to its future iron ore needs, the Japanese steel

industry has concluded long-term contracts for iron ore from the U.S., Australia, Chile and other countries.

Within five years about 50 percent of Japan's imports of iron ore is to come from Australia, the Yawata executive said.

With last year Australia's estimated 20.3 percent of a 160-million-metric tons of steel, Japan imported from almost 30 countries.

India accounted for 18.6 percent of the total, Chile 12.4 percent, Peru 10.5 percent, Malaysia 7.1 percent, the United States 5.2 percent, South Africa 4.2 percent, Brazil 3.2 percent and Canada 2.0 percent.

THE NIKKO SECURITIES CO., LTD.

Head Office: 3-1, 3-chome, Marunouchi, Chiyoda-ku, Tokyo, Japan Tel: (03) 7531 Telex: 102410, 2656, 2676 Cable: NIKOSE TOKYO
Representative Offices:
London: 108, Cannon Street, London E.C.4, England Tel: (01) 232-1152 Telex: 854717 Cable: NIKOSE LONDON
Zurich: 50, Mythenquai, 8002, Zurich, Switzerland Tel: 250-43-432 Telex: 56111-113 Cable: NIKOSE ZURICH
Subsidiaries:
New York (Head Office): The Nikko Securities Co. International, Inc., One Chase Manhattan Plaza, New York, N.Y. 10005, U.S.A.
Tel: (212) 7710 Telex: 222851 Cable: AMERIKOSE NEW YORK
San Francisco: 220 Montgomery Street, San Francisco, Calif. 94104, U.S.A. Tel: (415) 320 Telex: 27328 Cable:
NIKKOKASA SANFRANCISCO
Los Angeles: 250 East 1st Street, Los Angeles, Calif. 90012, U.S.A. Tel: (213) 7163 Telex: 213-681-0309 Cable:
NIKKOKASA LOSANGELES Correspondents:
Hong Kong: Pan-Pacific Investment Managers Ltd., 20/F, Sunbeam Building, 193 Queen's Road No. 2, Kowloon, Hong Kong Tel: 71-28001,
11-221041 Telex: 40000 HONGKONG 540 Cable: NIKOSE HONGKONG
Honolulu: H. Kawano & Co., Ltd., 1153 Bethel Street, Honolulu, Hawaii 96813 Tel: 353-681 Telex: 743030 Cable: KAWANVEST
HONOLULU/HAWAII/TRADECO

AN AMAZING NEW TIMEKEEPING SYSTEM IS AT EXPO'70: SEIKO'S ATOMIC CLOCK

Here's accuracy to
±1 second for more
than 1,000 years!



As official timekeeper at EXPO'70, Seiko's incredible Atomic Clock is so accurate, so precise, an error of just one second will take more than a thousand years.

This unique timekeeping system is an application of a basic principle of quantum mechanics, which says the number of an atom's vibrations remains stable against any change in temperature, atmospheric pressure, even earthquakes.

The Atomic Clock is housed in Seiko's "EXPO OFFICIAL TIME CENTER" in EXPO'70's International Bazaar. Through UHF waves, it simultaneously directs 110 clocks to work with the same precision in 50 places at the Exposition site.

Seiko is famous for numerous timekeeping achievements at various international sporting events. Against this background, Seiko has also produced more than 12 million watches and 6 million clocks in the last year alone.

So look to Seiko. Today's standard of timekeeping excellence in more than 80 countries of the world.

Head Office: Seiko Watch-K. Hattori & Co., Ltd., Tokyo, Japan.

SEIKO

EXPO'70
OFFICIAL TIME
SEIKO

Trying to reach the Japanese market?

Use the Mainichi Shimbun

(pronounced My-knee-chee)

Japan's most influential newspaper

The Mainichi Shimbun

Japanese language daily newspaper, Japan's oldest, and yet most modern, newspaper. Besides publishing the mass-circulation daily newspaper, the Mainichi Shimbun Publishing Co. also publishes a variety of other media, including:

The Sunday Mainichi

(a weekly in Japanese).

The Economist

(a business and financial weekly in Japanese).

Mainichi Shogakusei Shimbun

(a daily for primary school pupils)

Mainichi Chugakusei Shimbun

(a daily for junior high school students)

The Mainichi Shimbun's Daily Circulation

8,123,515

(Morning and Evening Editions Combined)

Breakdown by Districts:

	(Morning Edition)	(Evening Edition)
Tokyo	2,301,872	1,492,377
Osaka	1,711,380	980,463
Kita-Kyushu	601,440	210,157
Nagoya	343,375	251,136
Sapporo	151,410	79,905
Total	5,109,477	3,014,038

(ABC January, 1970)

For further information, please contact the followings:

The International Advertising Department

The Mainichi Shimbun

Hitotsubashi, Chiyoda-ku, Tokyo

S.S. Koppe & Co., Inc.

610 Fifth Ave, New York, N.Y. 10020

S.S. Koppe & Company, Ltd.

40-43 Fleet St, London, E.C. 4.

Kontinenta Anzeigen-Verwaltung GmbH

4 Dusseldorf Grafenberger Allee 271

Mr. R. A. Bandelin

Box 14037 104 40 Stockholm 14.

Mr. John Havre

422 Collins Street Melbourne

JAPAN**Foreign Investment:
Unlocking the Door**

TOKYO.—Next fall the Japanese government is to announce a new list of industries in which foreign investment will be automatically approved to a limited extent.

It will be the third stage of what Japanese authorities describe as their "capital liberalization program."

The first stage of the five-year program took effect July 1, 1967, and the second stage March 1, 1969.

The program applies only to new ventures. And, in most cases, it limits foreign ownership to 50 percent of a new venture's equity.

Occasionally the authorities will permit a foreign partner in a venture that he helped establish increase his ownership of the venture, provided the Japanese partner wants to reduce his investment or sell out.

No Takeover

Virtually out of the question, however, is a foreign takeover of a Japanese company, established and owned, by Japanese interests.

Under rules that Japanese authorities say they have no intention of changing, foreign investment in existing Japanese enterprises may not, in most cases, exceed 20 percent of the outstanding shares.

If the regulations were lifted, control of some major Japanese enterprises could, theoretically at least, be acquired at comparatively low cost because the ratio of their stockholders' equity to total assets is comparatively low by international standards. This has resulted from a situation in which Japanese companies have found it less costly to raise funds for expansion.

**Food: For Export Trade
The Big Item Is MSG**

TOKYO.—When U.S. medical journals first referred to the "Chinese restaurant syndrome" early this year, the subject was taken rather lightly.

Not any longer, at least in Japan.

Researchers have singled out monosodium glutamate (MSG), a flavor enhancer, as the cause of the headache, dizziness, burning sensations in the neck and back, and numbness that some people experience after dining in a Chinese restaurant.

In Japan, MSG is a big business. Japanese MSG producers, which include such major firms as Ajinomoto Inc. and Asahi Chemical Industry Co., are concerned about the possible impact on their exports of the recent decision by major U.S. food makers to remove MSG from their products.

In 1968, Japan produced 35 metric tons (mt) of MSG, up from 78,600 mt in 1967 and up from 36,303 mt in 1962. Japan's MSG exports last year totalled 19,778 mt, of which 10,001 mt went to Europe, 6,963 mt to the Americas, 852 mt to Canada, 214 mt to the Middle East, 5,246 mt to South America, and 5,246 mt to South Asia, the Japan Food Seeding Manufacturers Association reports.

**INDUSTRIAL
BANK OF
JAPAN,
LTD.**

Established 1902, continues to serve financial mainspring of Japan's industrial growth. Our assets: \$6,889 million (as of September 1969).

THE INDUSTRIAL BANK OF JAPAN, LTD.

Head Office: Yotsuya, Tokyo, Japan
Branch Office: Escherichstrasse 8, Frankfurt a.M., F.R. Germany
London Office: Market Ridge, 28 Mincing Lane, London, E.C. 3, England
New York Office: 30 Broad Street, New York, N.Y. 10004, U.S.A.



At work in the Yokohama shipyard.

Ships: A 2-Year Backlog of Orders

TOKYO.—Within about three months, a formal contract is to be awarded for a 400,000-deadweight-ton tanker.

The ship will be far larger than any vessel currently afloat, and, perhaps to no one's surprise, it is to be built in Japan.

Under a provisional agreement, the vessel is to be built at the Kure shipyard of Ishikawajima-Harima Heavy Industries Co. (IHI) for Globifik Tankers Ltd. of London.

The largest vessels now afloat are six 225,000 dwt. tankers, which were also built in Japan. They are owned by Bantay Transportation Co. of Liberia, an affiliate of National Bulk Carriers Inc. of the United States.

The Globifik contract will reaffirm, if reaffirmation is necessary, Japan's supremacy in supertanker construction if not in shipbuilding as a whole.

Tops in Tonnage

For the past 13 years, Japan's shipbuilding industry has launched more tonnage than the shipbuilding industry of any other country.

The Japanese industry builds about eight million gross tons annually, of which about 57 percent is exported. Currently the industry has an order backlog equivalent to more than two years' work, says Koichi Toyama, executive vice-president of Nippon Kokan KK, a major Japanese shipbuilder.

Mr. Toyama attributes Japan's success in shipbuilding to an active and stable world demand for vessels, rapid technological

development in shipbuilding and major changes within the shipping industry.

In the past, he said, the shipping industry was characterized by relatively short-term charters and placement of orders for new vessels on a speculative basis.

However, in recent years, most of the leasing contracts have been on a long-term basis. This has enabled shipping companies to make long-term plans for new ships, which, in turn, has assured a stable demand for the shipbuilding industry.

Replacement Demand

Mr. Toyama said demand for replacement vessels has increased sharply because of technological developments that have reduced the economic life of vessels faster than originally expected. The developments include, he said, increased size, service speed and specialization.

In producing tankers, Japan

has employed mass production methods that have worked well for the United States in so many fields. Andrew Gibson, head of the U.S. Maritime Administration, said in Tokyo recently.

The Japanese shipbuilding industry, he said, recognized the large potential market for tankers and went after it. However, he did not think Japanese shipyards could match U.S. yards for the diversity and range of their vessels.

Some Japanese shipbuilding executives, at least, are inclined to agree more or less with Mr. Gibson's view. One executive recently described a supertanker his company is building as a

"large oil can," that he said is really very simple to build despite its size.

Japanese shipyards have studied but as yet have shown no firm inclination to undertake such projects as submarine oil tankers, of which General Dynamics Corp. of the United States is proposing to build six to transport oil from Alaska's North Slope.

Few, however, could question the vision and the tenacity with which the Japanese shipbuilding industry has developed facilities for the large-scale production of tankers, bulk carriers and multi-purpose freighters.

To keep abreast with what they foresee as a steady growth in world demand for new vessels, Japanese shipbuilders are planning to construct large new yards for assembly-line type construction.

Nippon Kokan says it's new TSU yard, which is designed to build, launch and repair up to 500,000-ton ships, is currently the largest such facility in Japan.

Mitsubishi Heavy Industries Ltd., however, has asked for government approval to build a dock with a capacity of one million tons.

The company said it has no plans to build a vessel of a million tons. It would use the dock to build in series vessels of 250,000 dwt. to 300,000 dwt.

Japanese shipbuilders say their biggest problems are meeting their labor requirements and holding down production costs which have been under heavy pressure because of rising wages and material costs.

Japan Air Lines: First to fly the

Fastest way to Japan



via Moscow

On March 29, 1970*, Japan Air Lines becomes the first airline to fly the fastest, the most direct route between Europe and Japan—the Moscow Shortcut.

The first flight leaves Paris on March 29 and cuts the flying time to Tokyo by $3\frac{1}{2}$ hours. Service from London* starts a few weeks later.

This new service via Moscow and across Siberia to Tokyo makes JAL the first airline to fly 4 ways from Europe to Japan.

But whichever way you go, you're certain of one thing: a hostess to look after you who really cares about your comfort and well-being, wherever in the world you fly with Japan Air Lines.



Paris to Tokyo flights will leave every Wednesday and Sunday at 1 p.m.

JAPAN AIR LINES
official airline for EXPO 70

*Pending final government approval.

THE LONG-TERM CREDIT BANK OF JAPAN, LTD.

Long-Term Financing for Industrial Expansion in Japan

Banking Services for International Capital Transactions

Lead Office: Otemachi, Tokyo, Japan
Cable Address: "BANKKOHGIN TOKYO"
New York Representative Office:
20 Exchange Place, New York, N.Y. 10005, U.S.A.

Come to the World's Fair in Osaka, Japan, March-September, 1970.

A Free Japanese Lesson For Your Money

"Yen...ni...ka-e-te...kudasai."
(I want to exchange my money for yen.)



Don't worry. Our rosy hostess (in our currency exchange office, Tuesday Plaza, at EXPO '70*) understands English, too. In any language, she will give your banking needs all the attention and care our rose symbol stands for. And this means you can participate in Japan's State Lottery (as we are the only designated agent to run it) with our special EXPO '70 Sweepstakes tickets, too.

You will find our rose service (72 years young and still growing) also in our 142 branches throughout Japan. In New York, London, Seoul and Taipei, too. Our rose service even extends to 1,600 correspondent banks worldwide. To help you financially enjoy Japan wherever you come from.

Please do (as we say in Japanese, "Doso...").

Japan's Commercial Bank
NIPPON KANGYO BANK
Head Office: Hibata, Tokyo, Japan
Branches: Nagoya, Kyoto, Osaka, Sendai, Sapporo, Fukuoka, Tokyo, New York, London, Seoul, Taipei, Hong Kong
Special Representative Office: 128, O'Kane, Shinjuku-ku, Tokyo, Japan

JAPAN

Autos: 14th Consecutive Year Of Record Production and Sales

TOKYO.—Japan's auto industry has wound up what will be its 14th consecutive year of record production, sales and exports.

But what of 1970?

Well, the odds would seem to favor yet another record year despite prospects for an economic slowdown in the United States, the largest single export market for Japanese motor vehicles.

According to provisional results announced by the Japan Automobile Manufacturers Association, Japan produced 4,682,000 four-wheeled vehicles in 1969 (2,617,000 autos, 2,023,000 trucks, 42,000 buses), up from 4,085,826 vehicles (2,055,821 autos, 1,991,407 trucks, 38,598 buses) in 1968, and up from only 481,551 vehicles (165,094 autos, 308,020 trucks, 8,437 buses) in 1960.

In January-October last year, Japan produced 3,821,784 four-wheeled motor vehicles (2,101,437 autos, 1,885,348 trucks, 35,001 buses), up from 3,367,815 units (1,870,817 autos, 1,684,975 trucks, 32,023 buses) in the like period of 1968.

In 1970, growth in Japanese demand for motor vehicles may slacken because of the government's efforts to slow some what the rapid expansion of the Japanese economy.

Motor vehicle exports, however, are expected to continue their surge. In 1969 Japan's exports of four-wheeled vehicles totaled an initially estimated 857,000 units, up almost 40 percent from the 612,429 units in the like period of 1968, and up from only 38,809 units in 1960.

Toyota's Success

Toyota Motor Co., the largest of Japan's 12 motor vehicle makers, expects its exports to the United States to increase 50 percent next year. To all markets, Toyota exported 322,345 units in January-October or 26.7 percent of its total January-October output of 1,206,639 units.

Nissan Motor Co., the second largest Japanese auto maker, also expects a sizable increase in its exports to the United

States next year and in subsequent years. And Toyo Kogyo Co., the third largest Japanese auto producer, plans to start exporting to the United States next year.

Much of the export growth of Japanese auto-makers is expected to come at the expense of United States and West German auto makers, particularly West Germany's Volkswagenwerke AG.

Reports in Tokyo said recently that Volkswagen had suggested collaborating with Nissan in export markets, but in West Germany Volkswagen denied it.

For their 1970 models, Toyota and Nissan have raised their U.S. prices, but, on the average, the increases are lower than those Volkswagen was forced to make partly because of the deutsche mark revaluation.

Export Deterrent

Exports aren't considered too profitable by most Japanese motor vehicle firms, at least at present when they are involved in the costly process of building up distribution networks abroad.

A Nissan executive said his company is reluctant to see exports exceed 20 percent of sales because of their low profitability.

As for the domestic market, Nissan executives have been saving for some time they expect domestic demand to hit a peak around 1971 and level off.

Yuzo Yamazaki, a Nissan director, estimates that Japan's motor vehicle production will total about 5,500,000 units when the plateau is reached.

Others dispute Nissan's projections as too pessimistic. With a population of just over 100 million, they note that at the end of 1968 Japan had only 5,209,319 passenger cars in use, according to the Automobile Manufacturers Association.

On the other hand, Japan's cities already are seriously congested with auto traffic. Many people find an automobile impractical in Tokyo.

Whether by accident or design, Japan has decided to relax partially its controls on foreign investment in its auto industry

on Oct. 1, 1971, just about the time Nissan sees domestic demand approaching a plateau.

The planned relaxation will allow only new ventures in the auto industry and prospective foreign investors will have to find a Japanese partner or partners to take up 50 percent of any venture's ownership.

No relaxation is envisaged on the strict controls on foreign investment in existing Japanese motor vehicle firms.

Mr. Yamazaki acknowledges it would be almost prohibitively expensive to establish a new integrated automobile manufacturing enterprise in Japan. But he said \$300 million would suffice to get a controlling interest in an existing Japanese auto-maker of "the first order."

So far Chrysler Corp. is the only foreign auto firm to announce firm plans to make a direct investment in Japan. It is scheduled to collaborate with Mitsubishi Heavy Industries Ltd.

Next year Mitsubishi is to spin off its motor vehicle division into Mitsubishi Motor Co. and sell Chrysler a 35 percent interest in the new firm.

The project is expected to meet some tough resistance despite the considerable political influence of the Mitsubishi Industrial group of which Mitsubishi Heavy Industries is a part.

Candidates for Affiliation

Other U.S. and European automakers are sounding out Japanese firms about the possibilities of some form of affiliation in Japan.

Much speculation in Japan centers on the futures of Toyo Kogyo, Honda Motor Co. and Isuzu Motor Co., which of Japan's 12 motor vehicle makers are considered the most likely candidates for a tie-up with foreign interests.

Toyo Kogyo, which makes both rotary and conventional piston engine-powered vehicles, has said repeatedly that it intends to go it alone. Isuzu has indicated it is open to proposals from foreign interests, but it has repeatedly denied various reports that it was planning a tie-up with one or another foreign company.

Isuzu also has said it intends to remain independent of any affiliation, domestic or foreign. The company has financial links with the Mitsubishi group. In January, Mitsubishi Bank Ltd. guaranteed payment of a \$20 million Honda bond issue in the Eurobond market.

By manufacturer, here are the 1969 registrations of new autos, trucks and buses in Japan excluding small vehicles with a piston displacement of 360 cubic centimeters or less. The percentage change from the previous year is in parentheses.

Toyota 1,040,263 (up 28.7 percent), Nissan 857,233 (up 20.2%), Toyo Kogyo 309,601 (down 2.9%), Mitsubishi Heavy 186,973 (up 5.5%), Isuzu Motor Co. 132,199 (up 5.1%), Daihatsu Kogyo Co., a Toyota affiliate, 57,651 (down 6.9%), Fuji Heavy Industries Ltd., a Nissan affiliate 47,763 (up 24.5%), Hino Motors Co., a Toyota affiliate, 34,232 (up 29.4%), Honda Motor Co. 18,326 (up 1,064.3%), Nissan Diesel Co., a Nissan affiliate, 15,424 (up 28.6%), Suzuki Motor Co. 161 (down 55.9%). Imports 17,485 (up 24 percent). Honda's large percentage increase is due to the fact that until last year the company had largely concentrated on mini-cars in the 360 cc class.



Tokyo's Bullish Stock Market

(Continued From Page 7)

require Japanese companies to consolidate their financial results. In their shareholders' reports, Japanese companies are able to adjust their net income up or down, rather arbitrarily, by adjusting the sums they set aside in special reserves. To compensate for this situation, analysts ferret out information from a variety of other sources to supplement data from shareholders' reports.

● Despite the general rise in stock prices in the past two years, the price-earnings ratio of all issues listed on the Tokyo Stock Exchange's first (principal) section was only 14.38 at the close of 1969 trading. This ratio compares favorably with those of other stock markets. It also compares favorably with 1961 when Tokyo stock prices surged upward on heavy speculative buying. In July, 1961, the average price-earnings ratio of the issues on the 225-share index reached 23.34.

● Of two government-aided stock pools set up in the mid-sixties to support stock prices, one, the Japan Securities Holding Association, has been dissolved. And the other, the Japan Joint Securities Co., has sold off most of its holding and become a comparatively minor factor in the market. The two organizations had been considered potential dampers on any sustained price rise because they were viewed as potential sellers in a rising market. However, their holdings have been largely liquidated in the past two years without seriously curbing the price advance.

● Japanese securities firms, foreign stock analysts say, are capable of providing recommendations based on much sounder data than is available concerning enterprises in many European countries.

● Volume on the Tokyo stock market is heavy and most foreign investors report little difficulty buying or selling even substantial blocks of shares.

The cons:

● Share prices often fluctuate sharply, although the stock exchange authorities generally limit the maximum rise or fall in one day to 300 yen (63.4 U.S. cents), which is substantial when the comparatively low price of most Japanese shares is considered. A round lot, moreover, is generally a thousand shares.

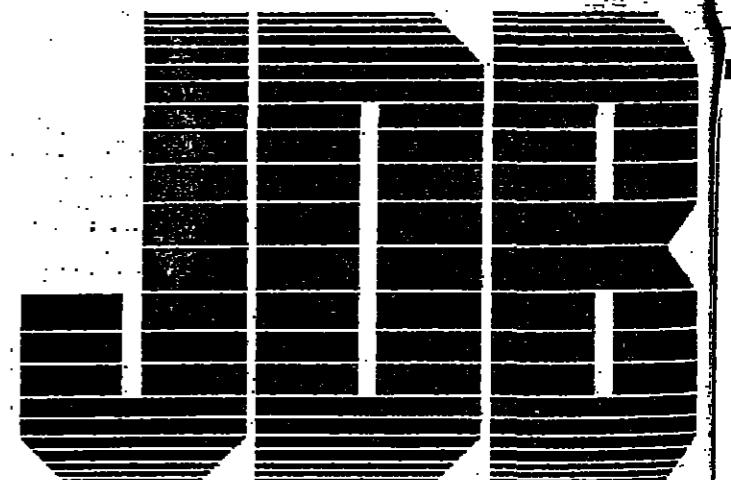
● Although Japanese securities analysts and the facts they provide are well regarded at least in comparison to Europe, the financial reports of Japanese corporations to their Japanese shareholders leave much to be desired as a source of information for investment decisions.

Japanese law doesn't

amount of shares in these issues permitted under Japan's foreign investment regulations. The regulations limit total foreign investment to 15 to 20 percent of outstanding shares depending on whether the company is in a "restricted" or "unrestricted" industry. A single foreign investor is limited to 7 percent of a company's outstanding shares. The regulations are particularly restrictive for foreign institutional investors, although in the past year the Japanese authorities have allowed foreign investment to exceed the 20 percent level in several issues.

● Some Japanese industries are particularly vulnerable to possible protectionist moves by the U.S. Congress. Sony Corp., for example, derives more than 57 percent of its sales from exports, much of which go to the United States. Recently Japanese brokers and others have expressed concern over possible moves to curb Japanese exports of home entertainment equipment to the United States, particularly color TV sets.

● The Tokyo market has no possible protectionism moves by the U.S. Congress. Sony Corp., for example, derives more than 57 percent of its sales from exports, much of which go to the United States. Recently Japanese brokers and others have expressed concern over possible moves to curb Japanese exports of home entertainment equipment to the United States, particularly color TV sets.



Japan's Governmental Long-Term Credit Institution

Main Foreign Activities

ISSUANCE OF EXTERNAL BONDS GUARANTEES OF FOREIGN CREDITS

External Loan Bonds	\$ 75,747
Guarantees of Foreign Loans and Credits to Japanese Industries	\$ 575,740
Re-Loans of World Bank Loans to Japanese Industries	\$ 159,974
Loans Outstanding	\$ 4,217,835
(in thousands of U.S. dollars) (as of September, 1969)	

Capital: U.S. \$650 million

JAPAN DEVELOPMENT BANK

HEAD OFFICE: Chiyoda-ku, Tokyo, Japan
LONDON OFFICE: Garrard House, 31-45 Gresham Street, London, E.C.2, England
OTHER OVERSEAS OFFICES: In New York and Washington D.C.

DATSON

AT LAST I'VE FOUND IT
THE BEST WAY TO DO BUSINESS WITH JAPAN

TOKAI BANK

Head Office: Nagoya, Japan
200 branches in Tokyo, Osaka and other major cities in Japan / London, New York & Sydney.

JAPAN

Expo 70: Playing Host to the World

TOKYO—Expo 70 is to open in Osaka March 15 and prospects are that it will be a considerable success despite some nagging problems.

Like Expo 67 in Montreal, accommodation may well be the chief difficulty at Expo 70, the first world exposition to be held in the Orient.

Expo 70 officials say they expect the Osaka area will be crowded during March, April and May. But from June until the exposition closes Sept. 13, they say much room is available.

Many foreigners will doubtless stay at Ryokans, Japanese inns where they will sleep on the tatami (mat) floors in futon (comforter-type bedding).

The Expo 70 lodging center also is arranging to accommodate foreign visitors in Japanese homes at the rate of 47 a day.

Hotels Full

Many Western-type hotels in the Osaka area already are full for most of the exposition. Most rooms have been taken by Japanese who have been willing to pay as much as a 50 percent surcharge for a hotel room.

The Japanese government has asked hotels to give priority to foreign guests who, Expo 70 officials expect, will total about a million out of a total Expo 70 attendance of about 30 million.

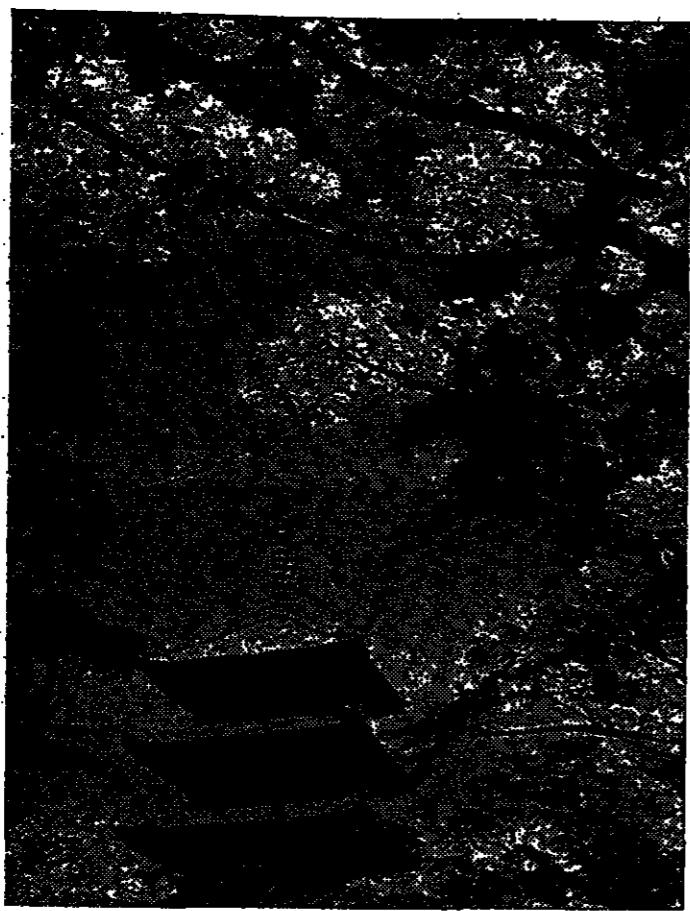
One Osaka hotel owner said that in principle he was prepared to comply with the government's request. But he said inquiries from abroad are so tentative and vague that "you can't tell whether they are coming or not."

"The temptation to accept Japanese visitors with solid plans," he said, "has been too great to turn down."

Despite the accommodation problem, many foreigners who attended the Olympics in Tokyo say they expect Expo 70 will be carried off with the efficiency and enthusiasm that they say characterized the 1964 event.

Scheduled to participate are 74 foreign countries plus Hong Kong, Washington State, three Canadian provinces, and four international organizations. At Expo 67, 60 foreign countries participated.

In addition, the Japanese government, three government or-



ganizations and 38 private Japanese groups are to have exhibits.

By the end of December, Expo officials said they expect the exteriors of the more than 80 pavilions will be completed. "We're ahead of schedule on the pavilions," one official said.

Here, in capsule form, will be the features of Expo 70:

Symbol area: Encompassed by pavilions, the symbol area will be the heart of the exposition. The center of the symbol area is covered by what is said to be the world's largest transparent roof. It is 964 feet long, 356 feet wide and is supported 984 feet above ground by six pillars. Under the 4,700-ton roof will be the theme hall and the Omatsuri (festival) Plaza.

Rising through the roof, which was erected in July, will be a 198-foot tower of the sun. Flanking the sun tower will be the towers of youth and motherhood.

Layout: Expo 70 is designed as a model city of the future. It roughly can be divided into two parts. One part contains

the pavilions, the symbol area, an artificial lake, a large Japanese garden, and an amusement center. The other area contains support facilities such as parking lots and power generators.

Theme: Progress and harmony for mankind (Expo 67—man and his world; Expo 58—technology and humanism).

Site: 615 acres in the Semri Hills, about 10 miles northeast of central Osaka. The site's central area is relatively low and is surrounded by hills that give it a natural bowl shape. A mountain range forms a background for the site.

Festival plaza: It will include a grandstand capable of accommodating 2,500 people, and a mobile stage operated by giant robots, one more than 70

feet tall. Adjoining festival plaza will be a lake with a floating stage.

Exoland: Covering 41 acres, this will be the amusement center like La Ronde at Expo 67. Among the attractions will be the Daifurassan, a five-course roller coaster that is to operate at speeds up to 40 miles an hour.

Pavilions: They include entries from countries as small as Abu Dhabi, Haiti and Gabon. One pavilion is suspended in mid-air from a 120-foot arm-like cantilever. Another is supported by beams filled with compressed air. Still another has four outer sloping walls made of mirrors.

On-site transportation: Linking all five entrances to Expo 70 will be a moving sidewalk 2.3 miles long. Constructed within a transparent plastic tube, 12 to 18 feet above ground, the sidewalk is said to be capable of carrying 8,750 people an hour through the entire exhibition area. Circling the exhibition area will be a 2.5 mile-long monorail. Each monorail train will have four cars capable of carrying a total of 540 persons. Each train will circle the grounds every 15 minutes, stopping at seven stations.

Some of the special attractions during Expo 70:

March: Berlin Opera.

April: Flower festivals of the world, Ommegang from Belgium, Nizan song festival, Cuban Mariachi Band, Paris Symphony Orchestra.

May: Children's festival, national festivals of the world, Caribbean Festival, European Carnival, Berlin Philharmonic.

June: Miss Universe candidates parade, Canadian National Ballet, water show, Japanese Opera, Montreal Symphony, martial arts festival.

July: Holiday on Ice, Japanese folk dances, chanson festival, Latin festival, Leningrad Philharmonic, variety of America, Polynesian Review.

August: Asian festivals, Greek theater, jazz festival, Trinidad steel bands, Bolshoi Opera, Ballet Celeste, elephant parade festivals.

September: Japanese autumn dances, New York Philharmonic.

TOKYO—As most everyone agrees, Japan is destined to play a greater role in world political affairs, one more commensurate with its position as the non-Communist world's second largest economic power.

Herman Kahn of the Hudson Institute, for one, thinks that the "21st century will be Japan's century."

By David Mansfield

ing industries and techniques related to improving our living environment . . .

AID (Mr. Fukuda): "We intend to keep on expanding our aid as far as our economic resources permit and hope to double the economic assistance to Asia within five years."

EDUCATION (Mr. Sato): "In my opinion . . . the latter half of the 20th century is an age of international competition in education, and only the countries that have survived this competition will hold a valuable place in the 21st century. Amidst the present confusion in student movements, we should not lose sight of our long-range education policy."

TRADE LIBERALIZATION (Mr. Fukuda): "Despite many domestic problems still standing in our way . . . I would like to accelerate the current pace of Japan's liberalization of its import controls."

INVESTMENT (Mr. Sato): "Emphasis has hitherto been placed on equipment investment and exports centering on heavy and chemical industries. Henceforth, priority should be given to improving living environments, and to international cooperation, as in the economic development of developing nations."

MONETARY (Mr. Fukuda): "With the activation of Special Drawing Rights (by the International Monetary Fund), gold will surely become less important as international liquidity. However, maintenance of a happy coexistence of gold with other kinds of liquidity is essential for the sound working of the international monetary system for some time to come."

POLITICAL TASK (Mr. Sato): "I consider that the most worthy target we can set for ourselves would be to direct the creative capacity of the Japanese people to man's welfare and particularly to the peace and stability of Asia. The greatest political task for Japan in the 1970s is to channel the energy of the Japanese people in this direction."

WE WILL SOON BE 100 YEARS OLD

When this baby becomes a romping youth
we'll be celebrating
the centennial of our founding
in 1873.

Dai-Ichi means No. 1.
We were the first bank established in Japan.
And we're still number one in serving
the business and financial needs of the country.

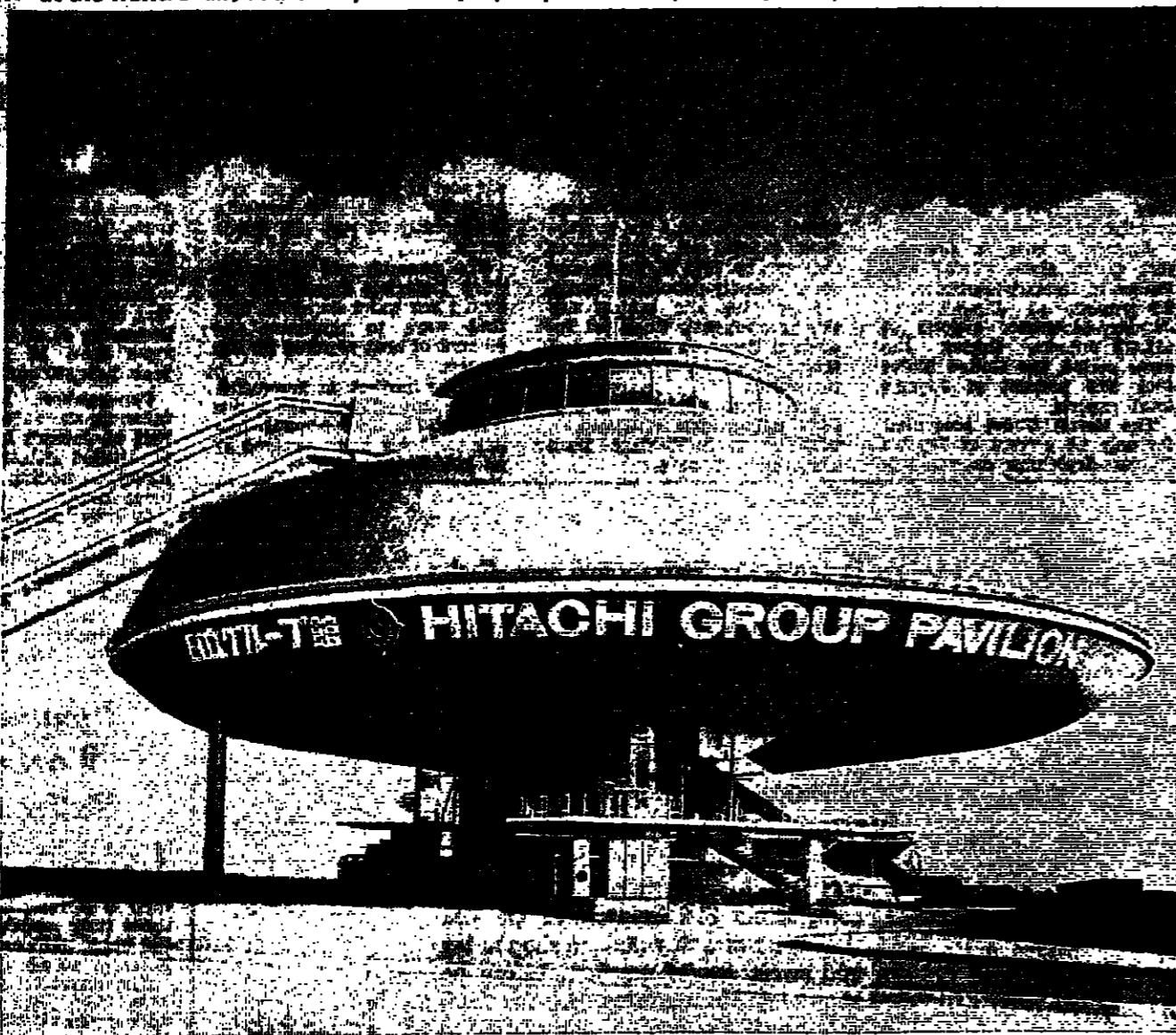
That's why for friendly and reliable banking service—backed by nearly a century of experience—depend on the Dai-Ichi Bank, Japan's oldest and leading banking institution.

EST. 1873

THE DAI-ICHI BANK, LTD.

HEAD OFFICE: Marunouchi, Chiyoda-ku, Tokyo, Japan NEW YORK AGENCY: 120 Broadway, New York, N.Y. 10005, U.S.A. LONDON BRANCH: Winchester House, London Wall, London, E.C. 2, England CHICAGO REPRESENTATIVE OFFICE: The First National Bank Bldg., Room 2556 1 First National Plaza, Chicago, Ill. 60601. ASSOCIATED BANK: Chongqing First Bank Ltd., Hong Kong SEOUL REPRESENTATIVE OFFICE: UNESCO Bldg., Room 502-504, Myung Dong Chung-Ku, Seoul

*at the world's fair, EXPO 70, in Osaka, Japan (March — September, 1970)



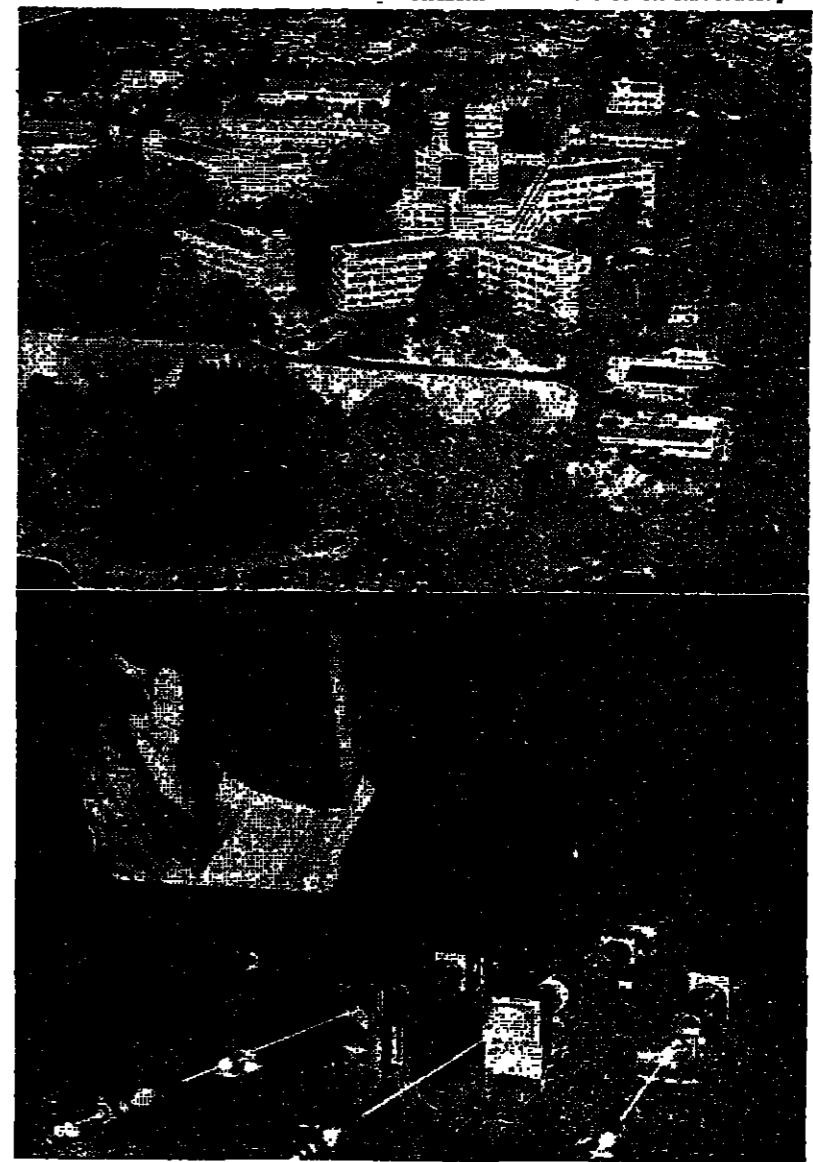
Hitachi EXPO 70 Pavilion

Look here.
Our "flying saucer" pavilion*
is alive with the future.

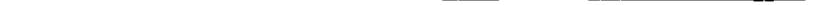
You can ride a 130 foot long escalator up four stories to its top. Enjoying a magnificent view of the fair all the way. Then, you can take a ride in a jumbo double decked elevator (capacity: 260 people) down to a big hall on the 3rd floor. Suddenly, the room will literally turn into 16 smaller rooms with you in one of them. You will be off on an exciting, simulated ride. Afterwards, you can see how the electronic marvels of a computer on the second floor made your simulated travel so realistic.

What is more, you will see a huge laser color TV show on public display for the first time. The screen will be about ten by thirteen feet big. You will be seeing pure color TV for the first time, too. The secret lies in three powerful laser beams—one each for blue, green and red.

As you can guess from the above, we are deeply involved in many areas of scientific research. From electrical home appliances to heavy electrical equipment, including atomic power plants, electronics & communications equipment. You will find our products researched aiming at use in outer space, on the ocean floor and . . . to make your path of life easy and happy. Today and tomorrow.



Hitachi Central Research Laboratory



Hitachi Laser Color TV

Your Future Path of Life

HITACHI
Hitachi, Ltd. Tokyo Japan

JAPAN

A Look Ahead: Expansion Is Not the Only Master

By Yusuke Kashiwagi

TOKYO.—The Japanese economy has witnessed a high rate of growth for almost a quarter of a century since the end of World War II. We have at times been criticized for attaching too much importance solely to economic growth. But I think it has been a tremendous achievement to have reached the present stage.

Japan has the second largest gross national product in the free world, following the United States. Per capita income has reached the level of Italy, about one half that of the United States. And we are progressing faster and higher.

I think we are now at a very crucial crossroad. Where do we go from here? What should be our aspirations?

There have been quite a number of studies made by several institutions on the future course of our economy. Most of them more or less concur in predicting a doubling of our present G.N.P. to a more than \$300-billion economy in five years' time and a further doubling to a more than \$600-billion economy by the end of the decade. This would perhaps be a projection of 15 percent nominal growth (10 percent real growth) continuing over this period.

However, such predictions based upon economic models, by the nature of the models themselves, do not necessarily take fully into account structural changes. Assumptions and conditions not necessarily appearing in the inputs of the mathematical models are most important in forecasting the future course of an economy such as ours.

It goes without saying that political stability and appropriate economic management with good planning and the necessary discipline of the country are the basic prerequisites for the realization of a \$300-billion or a \$600-billion economy. These two factors have, I believe, provided the foundation for our success in achieving rapid economic growth with relative stability in the past, and we should not spare any efforts to maintain them in the future as well.

Even if these two basic premises are satisfied, there remain a number of difficulties standing in our way. The most obvious are the well-known problem of spiraling of prices and wages; the expected slowdown of the

aggregate labor force coupled with the dwindling flow of population to urban areas; the technological know-how and the problem of social overhead capital lagging so far behind the advance in the private sector.

Cities Congested

We are also now faced with numerous social problems arising out of the rapid modernization and industrialization of the society—the congestion in the cities as compared to the flight of people off the land, the housing problem, the pollution problem in its aspects and the "campus problem" in all its complexities.

We are coming to realize that economic growth in itself is not the answer to the needs of the people. I think, for the future, our economic objective would become more diversified to encompass not only economic growth, but more to meet the needs of modern society.

I realize the problems I have mentioned are quite difficult, but firmly believe that they are not insurmountable. The basis of my optimism is my strong belief in our people's ability to adapt to new and changing circumstances, the power to create and to innovate, sometimes at the price of sacrificing the old. This has always been the greatest asset of our country, and we will again need it desperately in the coming decade.

To give you a conspicuous example of our people's adaptability, I may cite our ability to fine-tune the economy, which has enabled us to overcome a series of balance of payments crises.

Reclaimed Land

I personally have been involved as a responsible official of the Ministry of Finance in five of these crises. Each crisis resembles the previous one on the surface. At the same time, they were not really the same, so the corrective steps had to be patterned to fit the situation.

At one time, the exchange control was to be used as the major instrument. Later, it was the proper mix and degree of fiscal and monetary policies—"window guidance" and "administrative guidance." New instruments and new devices have continually been invented and experienced, and I feel satisfied that considerable success has been achieved.

Another remarkable example of our people's imagination or

vision was the creation of entirely new large-scale seaside industrial areas through reclamation of land from the sea. They have the merits of taking full advantage of geographical location to create the most efficient and productive places for new industries, more than enough to offset any demerits coming from poor natural resources.

I will not spell out a specific blueprint for the coming crucial decade today, but instead will briefly express my personal view as a monitor of the economy.

I am no expert on political affairs, but I would judge that relative stability can be fairly

expected over the next decade. I would think that economic stability over these years is of paramount importance to assure this stability, especially in Japan, where new generations accustomed to affluence and increasing prosperity are gaining political strength.

Proper management of the economy is, therefore, all the more important and must be given top priority. This requires good planning and good discipline.

We have a long experience of economic planning, but we have always underestimated the growth potential of Japan.

Nonetheless, such planning has, I think, been useful in many ways and the Government has now under study an ambitious plan for economic and social development to carry us through 1975. This plan will be published some time in the next few months.

Management Is Key

Good management of the economy is, I think, the key to our achievements in the past but the problems awaiting us in future, as I mentioned earlier, are most challenging. The proper allocation of resources must be wisely effected

to maintain a good balance between growth, stability and other needs I have mentioned.

We must see to it that demand management will insure steady growth and maintain relative stability internally as well as externally. This is a particular responsibility for the Ministry of Finance as the key agency within the Government. I sincerely hope that we will have the wisdom and the courage to take proper steps to steady progress toward our ultimate goal.

Mr. Kashiwagi is Japan Vice-Minister of Finance.

Investment is Timing

Nobody knows this better than the world's top professional investors. That's why they're in the forefront of this year's record foreign "invasion" of Japanese stock markets. These experts have come to appreciate that, in a financial world full of uncertainties, Japan's steadily booming economy is offering unparalleled opportunities for profitable investment. Shrewd investors know that the best way to get their share of this dynamic but sometimes complex market is to team up with Japan's leading investment and brokerage firm. In other words, with the Nomura Securities Co., Ltd.

THE NOMURA SECURITIES CO., LTD.

Head Office: 1, 1-chome, Tori, Nihonbashi, Chuo-ku, Tokyo, Japan/Phone: Tokyo (211) 1811, (211) 3973-3976 Telex TK 2392

London Office: 31-45, Gresham Street, London E.C. 2, England/Phone: (06) 6253-5/Telex: 883119 UK/883110 UK

Amsterdam Office: 518, Herengracht Amsterdam, The Netherlands/Phone: 229514-6/Telex: 16406

NOMURA SECURITIES INTERNATIONAL, INC.

Headquarters: 51 Broadway, New York, N.Y. 10006 • Phone: (212) 268-2800 or 483-9390 Los Angeles Branch: 621 S. Spring St., Los Angeles, Calif. 90014 • Phone: (213) 625-5072 Honolulu Branch: 130 Merchant St., Honolulu, Hawaii 96813 • Phone: 538-3837

NOMURA INTERNATIONAL (HONG KONG) LTD.

31 Queen's Road Central Hong Kong • Phone: 237036 • Telex: HK2299

The EYES and the EARS of JAPAN



Asahi Shimbun is on the qui vive! We bring the latest news with a circulation of 5.6 million copies per day. Eight thousand workers are busy in our nation-wide network. Overseas we have seventeen branch offices with an international link up. In order to gather news we own a special fleet of thirteen aircraft. For the past ten years we have been using the facsimile offset system. The operation is to transmit full size newspaper prepared at Tokyo Office to Hokkaido Office.

At the Expo '70, Asahi Shimbun will exhibit the home facsimile newspaper receiver, the latest innovation of Asahi Shimbun.

That's why Asahi Shimbun can proudly claim to be the newspaper of the future and the newspaper which reaches the market you need. The market of the Japanese mass elite.

Asahi Shimbun

THE FOREMOST NEWSPAPER IN JAPAN

Circulation: Morning 5,625,114 Evening 3,735,427 (ABC Jan.-Jun. 1969)

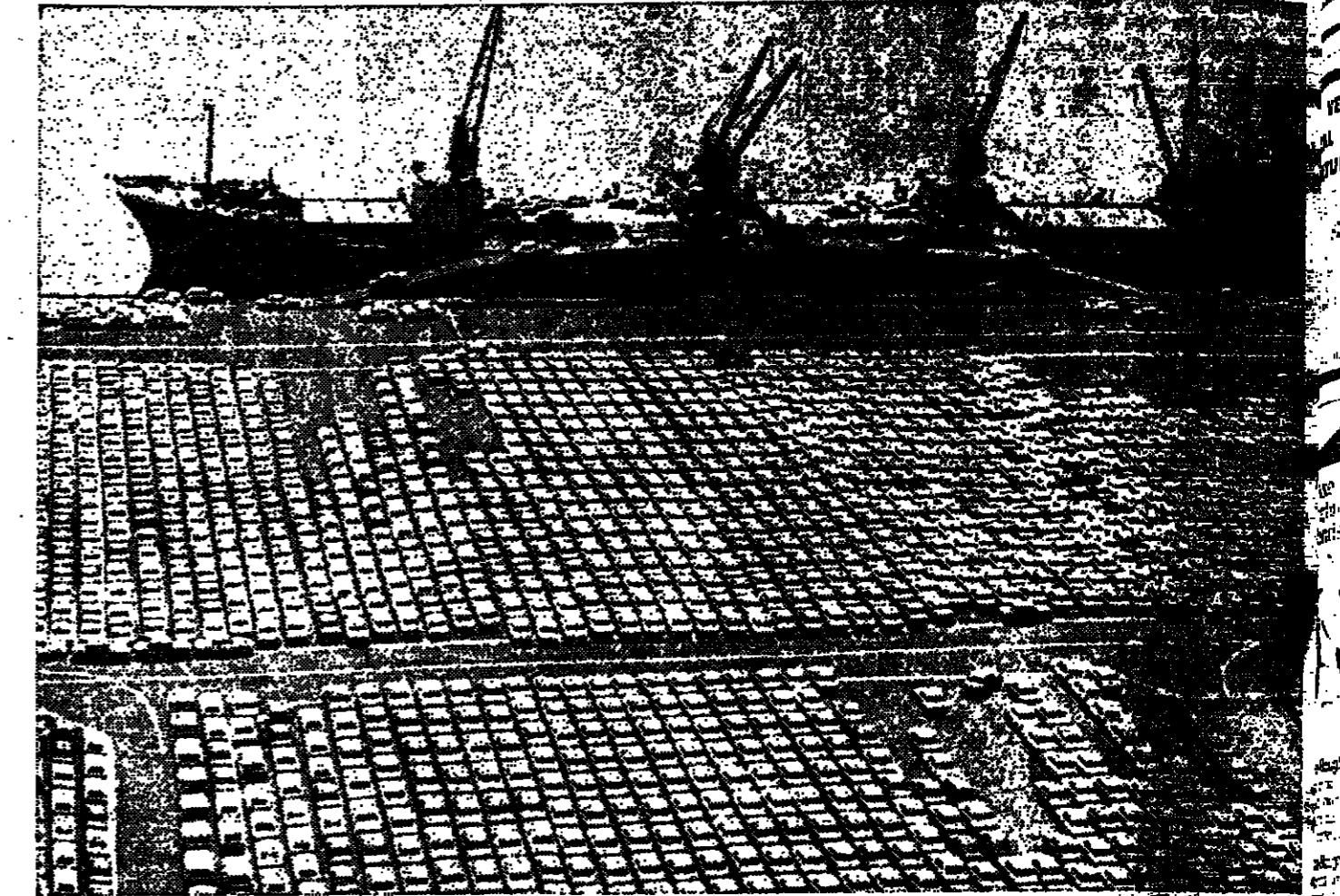
Tokyo, Japan/Tel: Tokyo 212-0123 Cable Address: "ASAHI TOKYO" Tel: No.2228, 4237, 4380

Asahi Shimbun's Sister Newspaper
ASAHI EVENING NEWS

The most influential English-language newspaper in Japan

For further information about Asahi Shimbun and its readers, please contact:

Joshua B. Powers Inc. 651 Fifth Ave., New York, N.Y. 10017 Tel: (212) 882-2888
Joshua B. Powers Ltd. 5 Wimpole Street, London W.1 Tel: 01 580 6594
Parker Associated Representations Pty. Ltd. 131 Clarence Street Sydney, Australia Tel: 29-6021



Doing Business With the Communist Neighbors

TOKYO.—Much is written and much is said about Japan's prospects for trade with two large neighbors, Communist China and the Soviet Union.

But Japan's actual commerce with the two Communist countries doesn't amount to much in terms of its overall trade.

In fact, in January-September, 1969, Japan exported more goods to another neighbor, South Korea, than it did to all Communist countries.

Japan's exports to South Korea in January-September totaled \$601 million, compared with exports of \$25 million to all Communist countries during the first nine months of 1969.

Japan's exports to Communist China alone totaled \$255 million in January-September or 22 percent of Japan's total January-September exports of \$1,179 million. During the same period, the United States took 30.9 percent of Japan's total exports.

The Soviet Union accounted for only 1.7 percent of Japan's January-September exports, im-

porting Japanese goods worth \$198 million during the nine-month period.

To some individual industries, however, particularly Japan's steel and fertilizer industries, the Communist countries are important markets.

Communist China is the larg-

Getting Fresh Water From the Sea

TOKYO.—Japan plans to build by 1975 a pilot desalination plant capable of producing 100,000 metric tons of fresh water daily from sea water.

The project has taken on an urgent note because the government expects an acute water shortage by 1975 in Tokyo and other heavily-populated areas.

Supporting the project are the government's Chemical Industrial Research Institute and major steel and machinery companies.

The plant, expected to cost 5,000 million yen (\$13,890,000), will use a multi-stage flash evaporation process.

est single foreign buyer of Japanese fertilizers and the second largest foreign buyer of Japanese steel, although in steel it is a distant second after the United States.

By early December, the Japanese steel industry had received orders from mainland China

for 14 million metric tons of steel. In 1968, Japan shipped 1,008,000 metric tons of steel to Communist China, compared with 6,916,000 metric tons to the United States. In 1968, 610 metric tons of Japanese steel were exported to Communist China.

Housing Solution

15 Years Off

TOKYO.—Japan will require almost 30 million new housing units, including 12 million rentals, in the next 25 years, the government estimates.

Since the mid-1960s, construction of housing units has been increasing at an annual rate of more than 10 percent. Last year 1,400,000 units were built.

Construction, however, has fallen far short of demand. About half of Japan's households are dissatisfied with their accommodation, according to a government survey.

Only by 1985 does the government expect to be able to meet its goal of providing one room for each household member.

Much of the problem stems from urban land prices, which the government says rose 10 times from 1960 to 1968.

Income for Workers' Retirement

TOKYO.—Japanese white-collar workers receive lump-sum retirement payments from their companies averaging about twice their monthly salaries at the usual retirement age of 60, a recent survey disclosed.

The survey covered 341 Japanese firms, capitalized at 100 billion yen (\$13,890,000), and employing more than 100,000 workers.

The average retirement allowance of college graduates in the industries was \$730,000 (¥10,654,000), the survey found.

By industry, the highest average retirement payment was 7,870,000 yen (\$21,881) paid by newspaper and broadcasting companies. The lowest average payment was 3,070,000 yen (\$43,528) paid by textile firms.

In addition to the lump-sum payments, about 50 percent of the companies surveyed said they also were contributing toward pension programs for their white-collar workers.

Herald Tribune Classified Advertising really gets results!

In Japan the festivals find you. Each with its own delightful legend and color. Candlelit lanterns floating on a quiet stream. Elegantly staged pageants. Or a tiny street fair just around the corner from your new western-style hotel. The old and the new happily blended—all part of the charm of visiting Japan.

You can stay in a 17th-century ryokan (inn) and have ham and eggs for breakfast. Shop for cameras and marvellously complicated hi-fi equipment. Or join the owner of a tiny antique shop in tea and sweet sembei crackers before he shows you his treasures. For the festivals aren't the only thing that's old in Japan. So is the tradition of hospitality. You'll feel as welcome as a personal guest wherever you go.

Write us for a free copy of our new edition of "Your Guide to Japan" (in English, French, German or Spanish). Then see your travel agent and start planning your holiday of a lifetime.

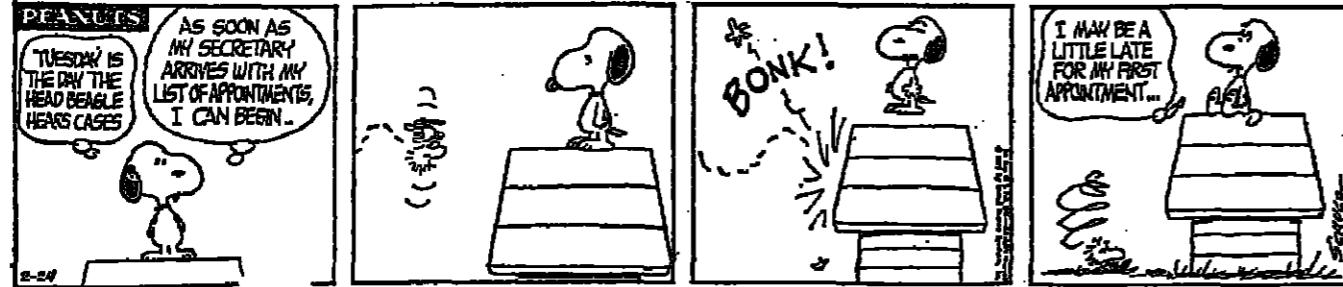
it lasts all year in Japan

JAPAN NATIONAL TOURIST ORGANIZATION

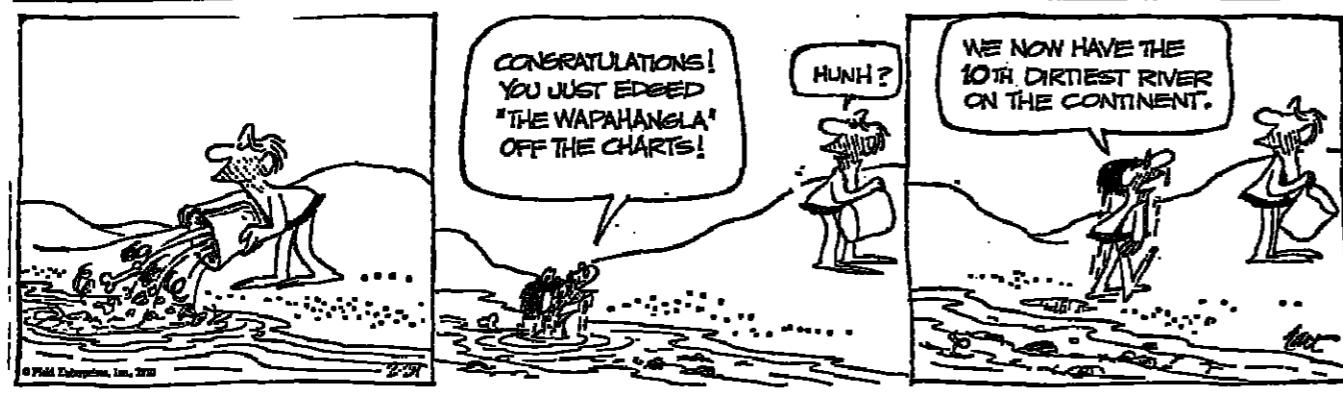
167 Regent St., London S.W.1
8 Rue de Richelieu, Paris (6e)
Rue de Berne 2, Geneva; Genève
Gutenbergstrasse 22, Frankfurt/M.



PEANUTS



B.C.



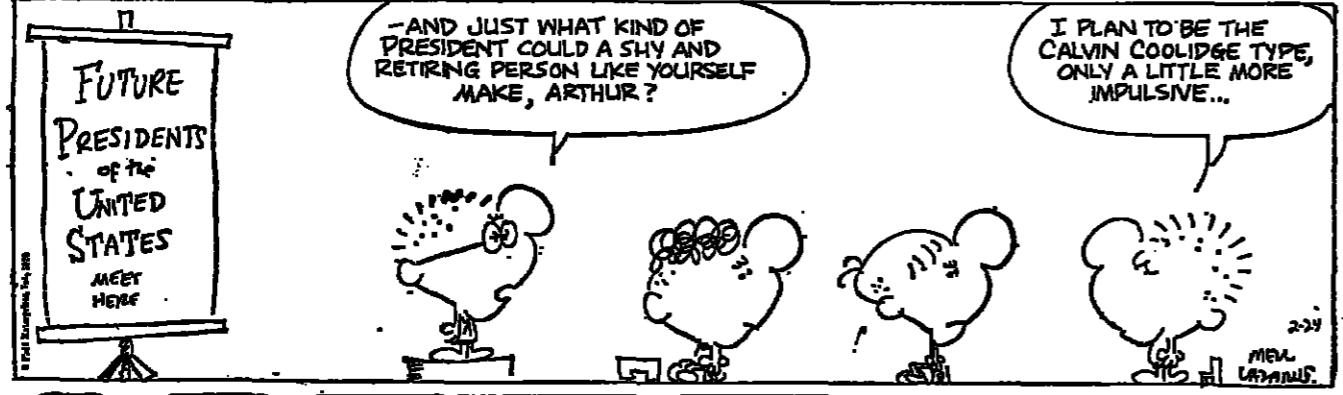
LIL ABNER



BEETLE BAILEY



MISS PEACH



BUZ SAWYER



WIZARD of ID



REX MORGAN M.D.



POCO



RIP KIRBY



BLONDIE



BOOKS

ROSSHALDE

By Hermann Hesse. Farrar, Straus & Giroux, \$13 pp. 553
Reviewed by John Leonard

A FTER 55 years, Hermann Hesse's "Rosshalde" has at last been made available in English. It is a transitional novel. Hesse stopped meditating on the anguish of adolescence to ponder for a while the alienation of the artist before groping toward his ultimate role: as a tourist among mysteries. Indeed, at the end of "Rosshalde," the artist-protagonist Verguth, having "taken leave of the sweet twilight of youth without resignation, full of defiance and venturesome passion," is about to embark on a session with progress. And agreed, no one impugns aspiration for salvation.

But Hesse was in general a "solemn and heavy" as Pau Veraguah. He so stylized his aspiration, so magnified the motivations, that his novels seem motion-picture stills of puffed-up attitudes, frozen ages cheaply rewarded. And Hesse in the particular of "Rosshalde" manipulates emotions, affects us only as any account of child-death affects us: new earning (through characteristic distinction or technical innovation) thought) our susceptibility. It was, in his own way, as much a platiudinarian as Alfred Hitchcock.

Mr. Leonard is a book viewer for The New York Times

Best Sellers

The New York Times
An analysis based on reports by more than 125 booksellers in 64 cities. Figures in right-hand column do not necessarily represent consecutive appearances.

This week Last week

	FICITION	
1	The French Lieutenant's Woman. Powell	1 1
2	The Moon is Full. Frazee	1 1
3	The House on the Rock. De Maurier	3 3
4	Travels With My Aunt. Green	1 1
5	Mr. Samuels's Place. Gandy	1 1
6	Five French Masters. Roan	7 9
7	The Robinsons. Robbins	4 1
8	The Gang That Couldn't Shoot Straight. O'Brien	6
9	In the Name of Buddha. Godden	8
10	Puppets on a Chain. MacLean	5

GENERAL

1	The Selling of the President. 1968. McNamara	1 1
2	Everything You Always Wanted to Know About Sex... But Were Afraid to Ask. Hirschman	1 1
3	The Peter Principle. Peters & Hull	1 1
4	Mary Queen of Scots. Fraser	1 1
5	Primer of Modern English Dictionary of the English Language. Cook	1 1
6	The Graham Kerr Cook Book. Kerr	1 1
7	I'm Someone. Shaeffer	1 1
8	Rufus and Elizabeth Carpenter	1 1
9	The Collected Stories of the Third Republic. Shirey	1 1
10	John Updike's Journal. Calhoun	1 1

(These figures are for the week ending Feb. 21.)

BRIDGE

By Alan Truscott

South maneuvered successfully to make a difficult game contract on the diagramed deal. He jumped to three no-trump after his partner had overcalled spade with two diamonds, thus reaching a slightly ambitious contract.

West was nervous about leading from his spade holding into a possible ace-queen combination, so he selected the heart five as his opening lead. South took East's king with the ace and led a low club, making the key play of permitting West to win with the king.

A spade lead drove out dummy's ace, and the declarer led a low diamond from dummy and played the nine. His plan was to develop diamonds without allowing East to gain the lead.

West could not lead a heart or a spade without giving South a vital trick, so he rid himself of the lead by playing the ace and another diamond. South proceeded to take three diamond tricks and the club ace in dummy to reach this position:

NORTH	♦ A
♦ 10 8	♦ K 10 4
♦ ♦ 8 5	♦ ♦ K 7 4 3 2
WEST	♦ ♦ A 8 5 4
♦ K 8 3 2	♦ ♦ 9 6 5
♦ J 7 6 5	♦ ♦ K 3 2
♦ A 10 5	♦ ♦ J 8 6
♦ K	♦ ♦ J 10 7 6

EAST

♦ ♦ Q 10 7 4

♦ ♦ Q 9

♦ ♦ Q 9 3 2

SOUTH

♦ ♦ Q 10 7 4

♦ ♦ Q 9

♦ ♦ Q 9 3 2

Neither side was vulnerable. The bidding:

East South West North

Pass Pass 1 ♠ 2 ♠

Pass 3 N.T. Pass Pass

Pass

West led the heart five.

Solution to Previous Puzzle

RAPT	CHOP	IBIS
AMAH	RARE	ARISE
VILLE	INCREASABLE	EDIBLES
EDIBLES	CUDDLED	SEES
SEEKS	TORS	ESS
FIASCO	ALLEGY	ARD
ARD	TURNA	PUPUP
TIES	TEINTS	ZENIO
ASSAN	PIECE	RAIN
PIECE	GIBES	GASSIE
RAIN	HASSIE	ANS
GIBES	HASSIE	NOAH
HASSIE	CYNICAL	OSTIE
CYNICAL	SLEAVES	NEBUD
SLEAVES	CLEVER	IDEA
CLEVER	IDEA	NEBUD
IDEA	NEBUD	ROARS
NEBUD	ROARS	NEAR
ROARS	NEAR	CRAIN
NEAR	CRAIN	ANDY
CRAIN	ANDY	GEIMS
ANDY	GEIMS	RIENIS

The lead of a club to the queen now embarrassed West.

DENNIS THE MENACE



"THIS IS WHAT I HATE... WHEN YA GO TO THE TROUBLE OF MAKIN' A LOT OF SNOWBALLS AN' NOBODY SHOWS UP!"

JUMBLE

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

GUOHO D. 1968. © 1968 James R. Lippincott & Sons, Inc.

OOO

TURSY

OOO

TALLEB

OOO

RUFTUE

OOO

Print the circled letters here.

Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

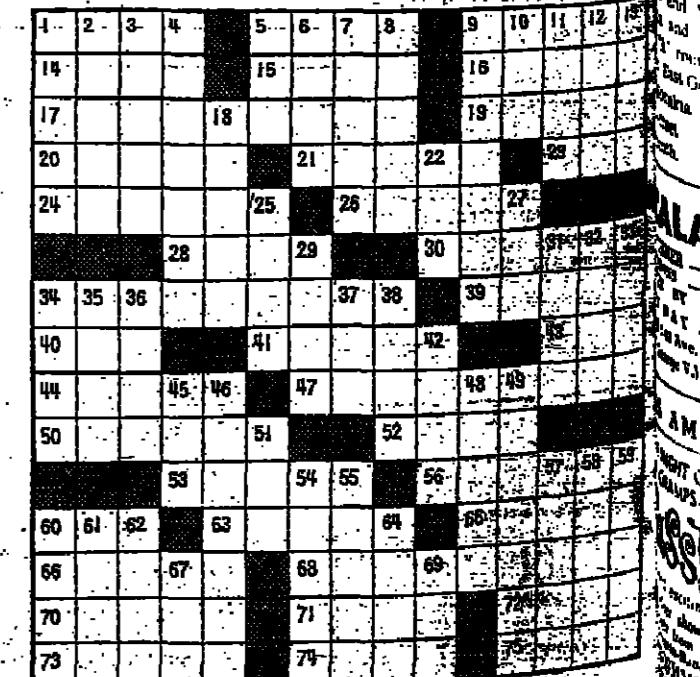
OF HIS OOOOO

(Answers tomorrow)

Yesterday's Jumble: LAPEL, BLESS, COOPER, HAPPEN.
Answer: How the banjo tycoon lost a lawsuit—ON A PEEL.

CROSSWORD

ACROSS	56 Studio occupant	22 Thick
1	Find fault	25 "And... but..."
5	Common abbreviation	27 Marie, for one
9	Kind of wind	29 Shrived
14	Unoriginal one	31 Cluster of bananas
15	Up to	32 Lo, to Caesar
16	Less available	33 Greek letters
17	Talker of a sort	34 Clock part
19	Weasel's relative	35 Literary work
20	Overworked	36 Probabilities
21	Ocean current	37 Footbridge
23	Graduating	72 Great dog
24	classmen: Abbr.	73 Sassy
26	Chemical compounds	74 Gentleman of Ponce
28	Does ushering duty	75 Kind of toad
29	Cote sounds	DOWN
30	Limit of one's resources	49 Undertake
34	— in the dark	51 Tanager
35	Continuous stretch	54 Armadillos
36	Tot	55 Singong
41	Nymph	delivery: Abbr.
43	Army man: Abbr.	55 Sum up, for short
44	Yields	57 More frigid
47	Flings	58 Metric measure
50	Jewish ascetic	59 Sample
52	Museum works: Abbr.	60 Inclined, with an "on."
53	Ohio, for one	61 Biblical pronoun
		62 State: Abbr.
		64 Sound
		65 Broadway star
		66 Peter and Wolfe
		69 Mountain



JAPAN

But Teammates Refuse to Condemn McLain**Tigers: 'Denny Owes Us Explanation'**

By Joseph Durso

LAKELAND, Fla., Feb. 23 (UPI)—Denny McLain's teammates have denied their support of the suspended pitcher, but many of them had with Bill Freehan that "he was in an explanation."

The Detroit Tigers went through another day of spring training with 40 players in uniform, but they seem the blithe spirit who had

pitched them to the world championship two years ago. He was suspended indefinitely last Thursday by the commissioner of baseball, Bowie Kuhn, for "bookmaking activities."

The Tigers, who were priced at

4-to-1 odds in Las Vegas this winter before they lost their best pitcher, refused to condemn McLain for a while though, I'd like to hear his side of it."

Mickey Lolich, who pitched 19

victories for Detroit last year while McLain was pitching 24, said:

"I feel sorry for him. He made a lot of money and has nothing to show for it. I didn't even know about all of this until I heard it on TV. He had the world by the tail, but got himself into trouble. He's got debts, he's got problems. I can't solve it for him."

While Horton sat in front of a locker beneath a cardboard sign that quoted the late Senator Robert F. Kennedy: "Some men see things and ask why? I dream of things that never were and say why not?"

The hard-hitting left fielder looked morose, but said:

"Mac trusts too many people. He can be misled. But he is a beautiful person and we respect him. He was one of the team's leaders and 23 other guys won't push him aside. I was with him when he was on top and I'm not going to deny him now."

None of the Tigers, though, would deny that the road would be much steeper this season. Detroit lost the pennant on the last day in 1967, won it by 12 games in 1968, then faded to second place, 19 games behind Baltimore, in 1969.

Mayo Smith, the manager, briefed the team on the situation before the first workout. Then he said: "There's no fellow who ever walked across the foul line who was a better competitor than Denny McLain. I feel very sorry for him and his family. I told the team that with the personnel we have in this room, we can win this thing with or without him."

Difficult to Replace

Jim Campbell, the general manager clinched a pipe and conceded it would be almost impossible to replace McLain by making a trade at this late date.

"Replace him?" he asked with emotion. "You just hope two guys can replace him. He's all confused and shook up. But never in my life have I questioned Denny McLain about his performance on the field."

"We're going to cooperate in every way as long as the investigation goes on. Denny was a good pitcher for us. And we're not going to turn and run now that he's in some trouble."

"After we saw the commissioner Thursday, Denny was quiet and subdued. I've never seen anything like this either. We have no plans to see him right now. I guess he will not be allowed to address a clubhouse meeting. His association with baseball at this moment is zip."

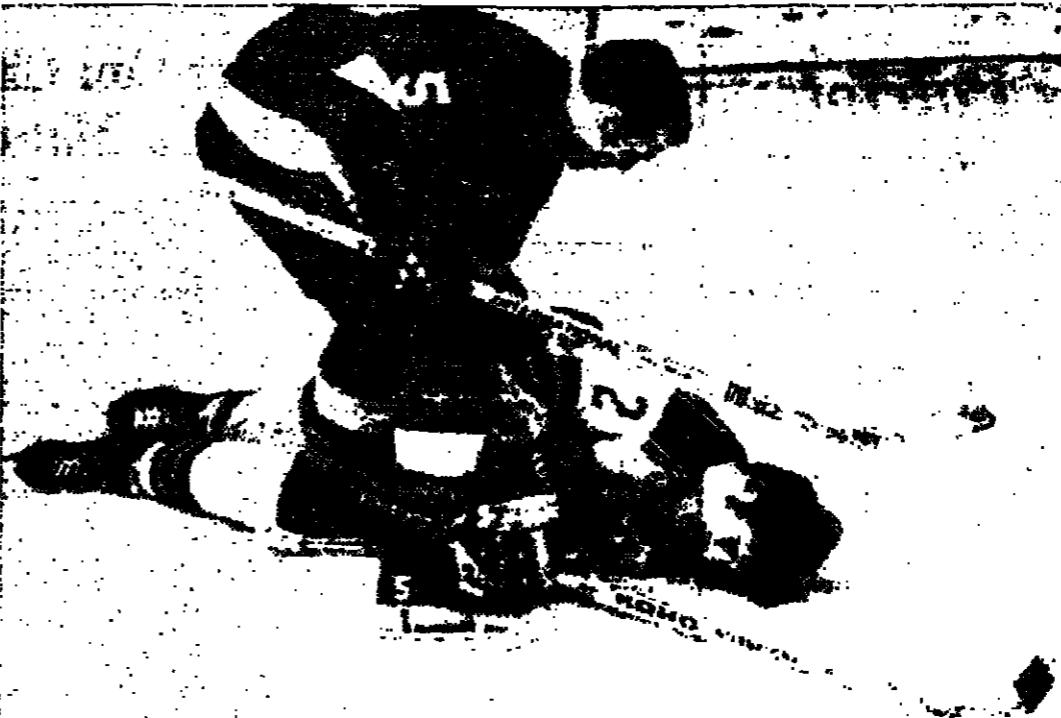
Campbell disclosed that McLain had already signed his 1970 contract, which was reported to be worth \$85,000. The pitcher chose to be paid 12 months of the year instead of only during the six-month baseball season, which is customary. But his pay was cut off when he was suspended.

Meanwhile, New York bounced back with a 5-3 victory over Toronto to regain sole possession of first place in the East. 2 points ahead of the Bruins, who were beaten by Hull's No. 50, and two goals by Stan Mikita in Chicago.

The Black Hawks blitzed Boston with four first-period goals. Mikita, who has won the NHL scoring title in four of the last six seasons, continued his fabulous February with his 34th and 35th goals of the season and two more assists, increasing his point total to 76.

The Hawk center is third in the league, two shy of Boston's Phil Esposito and 16 away from Bobby Orr of the Bruins, who is bidding to become the first defenseman to win the scoring title.

Chicago has lost only four of the



PUT ON ICE—Brad Park, N.Y. Ranger defenseman, lies on ice after suffering torn right ankle tendons in a collision with Carl Brewer of the Detroit Red Wings. Park will probably miss the rest of the regular season and maybe the playoffs. Brewer (5) bends to assist the injured Ranger afterward.

As Rangers Down Leafs**Hull's 501st Knocks Bruins Out of First**

NEW YORK, Feb. 23 (AP)—Bobby Hull has started on his second 500 goals—a fact that is vital to the New York Rangers—and Yvan Cournoyer is closing in on his 150th—a fact equally vital to the Chicago Black Hawks.

Hull reached No. 500 with a pair of goals Saturday night that moved Chicago past New York, 4-2, and then started on his second 500 yesterday with a goal that helped the Black Hawks beat Boston, 6-3.

Those two weekend victories and Cournoyer's goal which gave Montreal a 1-0 decision over Detroit yesterday, moved the Black Hawks into fourth place in the National Hockey League's East Division standings, a point ahead of the Red Wings.

Meanwhile, New York bounced back with a 5-3 victory over Toronto to regain sole possession of first place in the East. 2 points ahead of the Bruins, who were beaten by Hull's No. 50, and two goals by Stan Mikita in Chicago.

The Black Hawks blitzed Boston with four first-period goals. Mikita, who has won the NHL scoring title in four of the last six seasons, continued his fabulous February with his 34th and 35th goals of the season and two more assists, increasing his point total to 76.

The Hawk center is third in the league, two shy of Boston's Phil Esposito and 16 away from Bobby Orr of the Bruins, who is bidding to become the first defenseman to win the scoring title.

Chicago has lost only four of the

last 22 games and has stormed into 143rd of his career. The victory, fourth place, only 4 points back of the Canadiens within 3

Montreal. The Canadiens are sped points of Boston, 4 out of a slump with consecutive weekend victories over Philadelphia and Detroit and Cournoyer played a major role in each.

Ron Stewart's short-handed goal broke a first-period tie and put

New York on top for keeps against the Maple Leafs. The Rangers also

Richey's downfall, which cost

America's third-ranked player \$4,000, started in the first game of the third set. He said he played a loose game in loosing his service for

the only the second time since the quarter-finals.

6 Points in Final Set

Six points were all Richey could muster in the final set. He won only two points in his final three service games. The third set was the first he lost in the tournament.

The three-hour eight-minute match turned out to be one of the biggest crowd pleasers here and even Richey was amiable after his defeat. The Richey of old threw temper tantrums and rackets.

He said that he has been a happy tennis player for the past nine months after reading "Psycho-Cybernetics" by Maxwell Maltz. He also noted that he didn't mind the crowd pulling for Nastase because "He is a nice guy, a big advantage to the game."

Richey said that the strained thigh muscle he suffered in his semi-final victory Saturday night did not affect him.

In the doubles final, Americans Stan Smith and Arthur Ashe took down the \$2,000 first prize with a 6-4, 7-5 victory over New Zealanders Brian Peplis and Orny Parton.

Grey Cup Recovered, Placed in Bank Vault

TORONTO, Feb. 23 (UPI)—Police recovered the Grey Cup, emblem of supremacy in Canadian professional football, from a hotel locker 58 days after it was stolen from the Ottawa Roughriders in Ottawa.

Greg Fulton, secretary-treasurer of the league, took the 62-year-old silver and gold trophy to a trust company's maximum security vault.

Whether the Roughriders, the 1969 Grey Cup champions, get the trophy back for the rest of the year will depend on the security they provide for it, Fulton said.

AUTOMOBILE MARKET

FIAT TAX FREE CARS
U.S. and European specifications
IMMEDIATE DELIVERY



PARIS: 11 bis RD. Raspail.
TEL: PRO. 45-88-92 or PRO. 62-61.

BELGIUM: 11, rue d'Anderveldt.
Brussels: Tel. 383-812.

GERMANY: 111, Ansbachstr. 71. Hell-
brunn. Tel. 624-6247.

SPAIN: Paseo de la Habana, 76
Madrid 10. Tel. 45-1192.

ENGLAND: 22 Water Mead, Wem-
bridge, Middlesex—London. Tel.
997-6451.

NATIONAL CAR RENTAL
Tilden International L.T.S.
33-35 Ave. de la Grande-Armée,
Paris-16. Tel. 78-34-34. Tel. 29-382. Paris.

Phone: 78-34-34. Tel. 29-382. Paris.

TAX-FREE CARS
For
100-PAGE CATALOGUE
ILLUSTRATED WITH
74 COLOR PICTURES
write or phone
JETCAR, 10000 Miles Airport
6005 E. 100th, Romulus, Mich.
Tel.: 60-11-091 — 60-11-096

AUTO EUROPE
Represented by Pan-Cars
ALL EUROPEAN CARS TAX FREE
LEASING - SHIPPING - RENTAL
14 Ave. Carrefour, Paris. Tel. 350-23-23

RECOMMENDED BY
DEALER & DENT ELLINGTON

Nastase Rallies to Top Richey Survives 2 Match Points in Final

By Mark Asher

SALISBURY, Md., Feb. 23 (WP)—The Nastase survived two match points in the fourth set and defeated the tiring Cliff Richey, 6-5, 6-8, 6-4, 9-7, 6-0, yesterday for the first U.S. Open indoor tennis championship.

The Romanian champion played brilliantly in winning \$7,200 of the \$50,000 pot and had the standing-room-only gallery of 4,000 supporting him rather than Richey, the only American to gain the semi-finals.

Nastase unleashed a service ace

down the middle and a forehand crosscourt volley in fighting off the pair of match points in the 14th game of the fourth set.

From that point, it was all downhill for the 23-year-old player many rate as the next star of the sport. He never let Richey back in the match. Nastase broke Richey's serve in the next game and the Texan from San Angelo never tried it again.

Nastase noted after "my best tennis" were all Richey could muster in the final set. He won only two points in his final three service games. The third set was the first he lost in the tournament.

The three-hour eight-minute match turned out to be one of the biggest crowd pleasers here and even Richey was amiable after his defeat. The Richey of old threw temper tantrums and rackets.

He said that he has been a happy tennis player for the past nine months after reading "Psycho-Cybernetics" by Maxwell Maltz. He also noted that he didn't mind the crowd pulling for Nastase because "He is a nice guy, a big advantage to the game."

Richey said that the strained thigh muscle he suffered in his semi-final victory Saturday night did not affect him.

In the doubles final, Americans Stan Smith and Arthur Ashe took down the \$2,000 first prize with a 6-4, 7-5 victory over New Zealanders Brian Peplis and Orny Parton.

He said that he has been a happy tennis player for the past nine months after reading "Psycho-Cybernetics" by Maxwell Maltz. He also noted that he didn't mind the crowd pulling for Nastase because "He is a nice guy, a big advantage to the game."

Richey said that the strained thigh muscle he suffered in his semi-final victory Saturday night did not affect him.

In the doubles final, Americans Stan Smith and Arthur Ashe took down the \$2,000 first prize with a 6-4, 7-5 victory over New Zealanders Brian Peplis and Orny Parton.

He said that he has been a happy tennis player for the past nine months after reading "Psycho-Cybernetics" by Maxwell Maltz. He also noted that he didn't mind the crowd pulling for Nastase because "He is a nice guy, a big advantage to the game."

Richey said that the strained thigh muscle he suffered in his semi-final victory Saturday night did not affect him.

In the doubles final, Americans Stan Smith and Arthur Ashe took down the \$2,000 first prize with a 6-4, 7-5 victory over New Zealanders Brian Peplis and Orny Parton.

He said that he has been a happy tennis player for the past nine months after reading "Psycho-Cybernetics" by Maxwell Maltz. He also noted that he didn't mind the crowd pulling for Nastase because "He is a nice guy, a big advantage to the game."

Richey said that the strained thigh muscle he suffered in his semi-final victory Saturday night did not affect him.

In the doubles final, Americans Stan Smith and Arthur Ashe took down the \$2,000 first prize with a 6-4, 7-5 victory over New Zealanders Brian Peplis and Orny Parton.

He said that he has been a happy tennis player for the past nine months after reading "Psycho-Cybernetics" by Maxwell Maltz. He also noted that he didn't mind the crowd pulling for Nastase because "He is a nice guy, a big advantage to the game."

Richey said that the strained thigh muscle he suffered in his semi-final victory Saturday night did not affect him.

In the doubles final, Americans Stan Smith and Arthur Ashe took down the \$2,000 first prize with a 6-4, 7-5 victory over New Zealanders Brian Peplis and Orny Parton.

He said that he has been a happy tennis player for the past nine months after reading "Psycho-Cybernetics" by Maxwell Maltz. He also noted that he didn't mind the crowd pulling for Nastase because "He is a nice guy, a big advantage to the game."

Richey said that the strained thigh muscle he suffered in his semi-final victory Saturday night did not affect him.

In the doubles final, Americans Stan Smith and Arthur Ashe took down the \$2,000 first prize with a 6-4, 7-5 victory over New Zealanders Brian Peplis and Orny Parton.

He said that he has been a happy tennis player for the past nine months after reading "Psycho-Cybernetics" by Maxwell Maltz. He also noted that he didn't mind the crowd pulling for Nastase because "He is a nice guy, a big advantage to the game."

Richey said that the strained thigh muscle he suffered in his semi-final victory Saturday night did not affect him.

In the doubles final, Americans Stan Smith and Arthur Ashe took down the \$2,000 first prize with a 6-4, 7-5 victory over New Zealanders Brian Peplis and Orny Parton.

He said that he has been a happy tennis player for the past nine months after reading "Psycho-Cybernetics" by Maxwell Maltz. He also noted that he didn't mind the crowd pulling for Nastase because "He is a nice guy, a big advantage to the game."

The Scoreboard

SPEED SKATING—At West Allis, Wis., Soviet skaters dominated the first world speed skating meet by setting a world record of 44.88 seconds in the women's 500-meter race and taking the two titles.

Yesterday, after winning the Alpine combined title at the world championships in Val Gardena, qualified today for the final races of what is billed as the first world professional ski championships.

Kidd clocked the best time in the giant slalom eliminations.

Other professionals to qualify include Anderl Molterer of Austria, Guy Perillat of France and Giovanni DiBona of Italy in the slalom and Bruno Piazza of Italy, Jules Melchior of Switzerland and Willy Favre of Switzerland in the giant slalom. Total prize money of \$30,000 will be at stake.

The Europeans feared that their teams would be barred from the Olympic Games because of state-of-the-art equipment used by Brundage.

Brundage said today that even though the Olympic committee had no rule barring competition between amateurs and professionals, the proposal was a "very serious" matter.

But Brundage said today that even though the Olympic committee had no rule barring competition between amateurs and professionals, the proposal was a "very serious" matter.

He said that the IOC will certainly frown on having a sport on the Olympic program which is open to professionals," he added, making clear that such a recommendation would be forwarded to the full committee, which will meet in Amsterdam in May.

The Olympic president said that the executive committee had approved a decision of the International Yacht Racing Union to include the six-meter Tem

Art Buchwald

The Jobless Patriot

WASHINGTON. — There has been a great deal of discussion by the government concerning unemployment. No one likes to be without a job, but it seems to me that if you explain it to some terms that he can understand, the unemployed person will be willing to go along with it.

"I beg your pardon. Is that a pink slip in your hand?" **Buchwald**

"Yeah."

"Well, congratulations. You can consider yourself a front-line soldier in the President's fight against inflation."

"I can?"

"Yes, sir. And under government regulations you are entitled to a complete explanation as to why you find yourself in what we refer to as the 'unemployment-rate zone.' Incidentally, you will be happy to know that your being laid off is no surprise to us."

"It didn't?"

"No, sir. Your government predicted that given high interest rates and a tight money situation, you would be out of work by February. Here it is, right on the graph."

"I'll be damned. You guys really know your stuff. But what do I tell my family?"

"You can tell them that although they will have to put up with a certain amount of inconvenience, the upward spiral in unemployment—to

Nureyev Gets \$448,000 Policy

MELBOURNE, Feb. 23 (AP).—Baller dancer Rudolf Nureyev has been insured for \$448,000 with Lloyd's of London for the duration of his Australian tour next month and in April.

It is believed to be the highest insurance taken out on a single theatrical personality in Australia.

The policy covers the Australian ballet against Nureyev's non-appearance through accident at the Adelaide Festival next month or in Melbourne in April.

ANNOUNCEMENTS

IMPORTANT FRENCH TELEVISION PROGRAM WANTS FOR INTERVIEW

FIGURE FRENCHMAN

AMERICAN VETERANS

of the War in the Pacific. Writers

of the book "The Pacific War"

and "The War in Okinawa, etc."

Please write: Box 34,715, Herald, Paris.

STORY COMING! GIVE MOM A BREAK

AMERICAN DIAPER SERVICE

Santary home delivery. Paris: 602-78-81.

TODAY PAPER-BACK PUBLISHER LOOKING FOR CONTEMPORARY ADULT FICTION.

Send 30-page partial plus

outline of series to Dept. M-2,

Midwest Books, 185 Madison Ave., New York 10016, U.S.A.

SERVICES

AUSTIN

The American Mens Store in London. The Austin Store in London. Men's wear. Suits, jackets, trousers and special

measures garments. This offer is made only to Herald Tribune readers. All Overcoats re-

duced. Coat price—offer—no spe-

cial purchase lines. Offer definitely

Saturday. **AUSTIN IS A MUST**

—AVOID DISAPPOINTMENT AND CALL AT ONCE.

AUSTIN 27 Shaftesbury Avenue, Piccadilly, London W.I.

HELP IN PARIS: Secretary

radio-telex, telephone, French

mother-tongue. Translations. Shop

piano-teaching, sales, etc. New-York

early March will undertake commissions. Box 4,386, Tel. 20-31, Queen St. W.C.2. Pleasant surroundings. London 834 3484.

EDUCATION

ALLIANCE FRANCAISE

101 Boulevard Raspail, Paris 6e

The oldest & most modern French school for foreign students.

Practical school of French language

Lessons—Language laboratory—

Private lessons—Phonetic

laboratory.

YOU MAY ENROLL AT ANY TIME.

Preparation for examinations, commercial

interpreter in French.

BAR—RESTAURANT—ROOMS

REMINGTON SCHOOL

ACADEMIE COMMERCIALE DES PARIS

11 Rue Franklin, Paris 8e

44-46 GREGG SHORTHAND

Adaptation to French 10 weeks.

English and American keyboards.

ACTIVE FRENCH IN YACHTCROSS INDIVIDUAL AUDIOTRICAL COURSE

for English-speaking adults.

GUEST LANGUAGES—Spanish—

Also ENGLISH and GERMAN.

ENGINE LESSONS & conversation by

American teacher. Paris: 617-30-80, a.m.

BUSINESS OPPORTUNITIES

WE ACT AS YOUR

BARCELONA OFFICE

Apartado 12186, Barcelona, Spain.

SPAIN: COSTA DEL SOL. Very suc-

cessful Bar for sale. In center of Fu-

guera, Marbella. Price: 1,000,000

Pounds. Write: C. D. Bar la Cuesta, Cullera, Malaga, Spain.

COSTA: Established French

firm branch office Hong Kong

managed by old China residents speak-

ing fluent English. Chinese and

French. Government Organizations

sold yearly turnover, mostly import

from America. Business is good. Con-

tinental Trade Fairs, dealers contacts

and other business contacts.

Business having contacts in U.S.A. Paris:

201-28-78, Tel. 70-388, Herald, Paris.

ENGLISH: Established Spanish

Project, local experience seeks part-

nership. Job: Gare St. Lazare area. Write:

ECONOMICS graduate ("Cambridge"), now

in Israel, seeks freelance research

and teaching positions. Write to:

LOOKING for a place in the sun. Swe-

et lady, 30, working on a novel, would

like to travel with a child or two, 12

Good appearance, good cook. Speaks

French, English, German. Southern Eu-

ropean, possibly Swiss. Box 6,818, Herald, Paris.

FOR COMPANION addresses available

throughout Europe and overseas, fully

located, safe, reliable, honest, and

safe. Phone, cables and telex services. Moderate fees. Inquiries

answered by return mail. Write to:

Box 6,804, Herald, Paris.

225-28-90

for prompt and courteous

service.

You can have second hand items

for sale? Do you need to make

room for other things? Sell them

them through the International Herald Tribune. Contact the

office nearest you or call: Paris:

225-28-90

for prompt and courteous

service.

RESULTS!

YOU CAN'T

TAKE IT WITH YOU!

That's the way Mrs. Q. of Paris felt. She sold everything with a "For Sale and Wanted" ad in the Tribune. Contact the office nearest you or call: Paris:

225-28-90

for prompt and courteous

service.

Do you have second hand items

for sale? Do you need to make

room for other things? Sell them

them through the International Herald Tribune. Contact the

office nearest you or call: Paris:

225-28-90

for prompt and courteous

service.

LEAVING PARIS, FOR SALE furniture, equipment, lamps, curtains, etc., etc. Tel.: Paris, 617-30-80.

INTERNATIONAL HERALD TRIBUNE, Contact the office nearest you or call: Paris:

225-28-90

for prompt and courteous

service.

Do you have second hand items

for sale? Do you need to make

room for other things? Sell them

them through the International Herald Tribune. Contact the

office nearest you or call: Paris:

225-28-90

for prompt and courteous

service.

LEAVING PARIS, FOR SALE furniture, equipment, lamps, curtains, etc., etc. Tel.: Paris, 617-30-80.

INTERNATIONAL HERALD TRIBUNE, Contact the office nearest you or call: Paris:

225-28-90

for prompt and courteous

service.

LEAVING PARIS, FOR SALE furniture, equipment, lamps, curtains, etc., etc. Tel.: Paris, 617-30-80.

INTERNATIONAL HERALD TRIBUNE, Contact the office nearest you or call: Paris:

225-28-90

for prompt and courteous

service.

LEAVING PARIS, FOR SALE furniture, equipment, lamps, curtains, etc., etc. Tel.: Paris, 617-30-80.

INTERNATIONAL HERALD TRIBUNE, Contact the office nearest you or call: Paris:

225-28-90

for prompt and courteous

service.

LEAVING PARIS, FOR SALE furniture, equipment, lamps, curtains, etc., etc. Tel.: Paris, 617-30-80.

INTERNATIONAL HERALD TRIBUNE, Contact the office nearest you or call: Paris:

225-28-90

for prompt and courteous

service.

LEAVING PARIS, FOR SALE furniture, equipment, lamps, curtains, etc., etc. Tel.: Paris, 617-30-80.

INTERNATIONAL HERALD TRIBUNE, Contact the office nearest you or call: Paris:

225-28-90

for prompt and courteous

service.

LEAVING PARIS, FOR SALE furniture, equipment, lamps, curtains, etc., etc. Tel.: Paris, 617-30-80.

INTERNATIONAL HERALD TRIBUNE, Contact the office nearest you or call: Paris: